92-2231

A	ACTION PRODUCTS INC	10Q	03-31-92
B	ADEN ENTERPRISES INC	10Q	01-31-92
C	ALL-QUOTES INC	10Q	03-31-92
D	CONSUMERS FINANCIAL CORP	10Q	03-31-92
E	DAILY JOURNAL CORP	10Q	03-31-92
F	FRONTIER ADJUSTERS OF AMERICA INC	10Q	03-31-92
G	GRANGE NATIONAL BANC CORP	10Q	03-31-92
H	GREENWAY ENVIRONMENTAL SERVICES INC	10Q	03-31-92
I	PAUL HARRIS STORES INC	10Q	04-30-92
J	HEMOKINETICS INC	10Q	03-31-92
K	INTERNATIONAL GAMING MANAGEMENT INC	10Q	05-31-92
L	JANSKO INC	10Q	02-29-92
M	MERCHANT BANK CORP	10Q	03-31-92
N	METROPOLITAN MINES CORP LTD	10Q	11-30-91
O	MICHIGAN FINANCIAL CORP	10Q	03-31-92
P	MID-PLAINS TELEPHONE INC	10Q	03-31-92
Q	NATIONAL DATACOMPUTER INC	10Q	03-31-92
R	NORMAR INVESTMENT CORP	10Q	02-29-92
S	OSAGE FOOTWEAR INC	10Q	03-31-92
T	PHOTO CONTROL CORP	10Q	03-31-92
U	PORT ST. LUCIE NATIONAL BANK HOLDING CORP	10Q	03-31-92
V	PRECISION OPTICS CORP INC	10Q	03-29-92
W	ROBESON INDUSTRIES CORP	10Q	03-31-92
X	SEVEN FIELDS DEVELOPMENT CORP	10Q	01-31-92
Y	TRAVIS INDUSTRIES INC	10Q	09-30-91
Y	TRAVIS INDUSTRIES INC	10Q	12-31-90
Z	TRIUMPH CAPITAL INC	10Q	12-31-91

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92-2231

Z UNIFIED CAPITAL INC 10Q 12-31-91

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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

A92-2231

For the Quarter Ended
March 31, 1992

0-18178
Commission File Number

Action Products, Inc.
(Exact Name of Registrant as Specified in its Charter)

Arizona
(State or Other Jurisdiction of Incorporation or Organization)

84-1046532
I.R.S. Employer

PROCESSED BY
MAY [illegible] 1992

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Q-Data Corp. - St. Petersburg, FL

2605 W. 1st Street
Tempe, Arizona
(Address of Principal)

85281
(Zip Code)

(602) 894-9209
(Registrant's Telephone Number, Including Area Code)

N/A
(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes _X_ No ____

Number of shares outstanding of the Issuer's Common Stock, $.01 par value, as of March 31, 1992: 2,584,053

ACTION PRODUCTS INC.

BALANCE SHEETS
MARCH 31, 1992 AND DECEMBER 31, 1991

Assets

	1992 (Unaudited)	1991
Current assets		
Cash	$121,316	$127,364
Accounts receivable - trade	$565,793	$671,106
Other receivables	$25,927	$26,889
Inventories		
Raw material & work in process	$555,582	$612,067
Finished goods	$54,968	$60,532
Prepaid expenses	$48,949	$37,947
Deposits	$126,685	$124,713
Total current assets	$1,499,200	$1,660,596
Property and equipment, at cost		
Machinery and equipment	$314,277	$314,277
Tooling	$740,540	$737,690
Furniture and fixtures	$77,713	$77,713
Vehicles	$14,910	$14,910
Leased equipment	$37,646	$37,646
	$1,185,086	$1,182,236
Less - accumulated depreciation	($1,059,549)	($1,023,578)
	$125,537	$158,658
Deposits	$5,278	$6,678
	$1,630,015	$1,825,932

Liabilities and Stockholders' Equity

Current liabilities		
Current portion of notes payable-stockholders	$1,824,000	$1,824,000
Accounts payable - trade	$984,703	$1,041,669
Accrued payroll and other expenses	$226,270	$226,872
Customer deposits	$50,152	$30,860
Total current liabilities	$3,085,125	$3,123,401
Stockholder' equity		
Cash distributed to First Interstate Bank	($188,898)	($56,848)
Preferred stock-without par value- Authorized - 250,000 shares Issued and outstanding - 14,000 shares in 1992 and 14,000 in 1991	$1,400,000	$1,400,000
Common stock - .01 par value Authorized - 10,000,000 shares Issued and outstanding - 2,584,053 shares in 1992 and 2,584,053 in 1991	$25,841	$25,841
Additional paid-in capital	$984,410	$984,410
Retained earnings (deficit)		
Preferred dividends in arrears	$415,000	$387,000
Unappropriated	($4,091,463)	($4,037,872)
Total retained earnings (deficit)	($3,676,463)	($3,650,872)
Total stockholders' equity (deficit)	($1,455,110)	($1,297,469)
	$1,630,015	$1,825,932

ACTION PRODUCTS, INC.

Statement of Cash Flows
For the Three Months Ended March 31, 1992 and March 31, 1991

	1992 (Unaudited)	1991 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	($25,591)	($84,840)
Adjustments to reconcile net (loss) to net cash (used) by operating activities		
Depreciation	$35,971	$75,405
Changes in assets and liabilities		
(Increase) decrease in accounts receivable-trade	$105,311	$384,249
(Increase) decrease in accounts receivable other	$963	($29)
(Increase) decrease in inventories	$62,048	$351,202
(Increase) decrease in prepaid expenses	($11,002)	($189,623)
(Increase) decrease in other current assets	($572)	$7,490
Increase (decrease) in accounts payable	($56,966)	($218,705)
Increase (decrease) in accrued expenses	($601)	($303)
Increase (decrease) in customer deposits	$19,292	($4,944)
Total adjustments	$154,444	$404,742
Net cash provided by operating activities	$128,853	$319,902
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	($2,850)	($22,782)
Proceeds from sale of assets		
Net cash (used) by investing activities	($2,850)	($22,782)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on borrowing from affiliate		($273,294)
Principal payments on current portion of long term debt		($3,137)
Cash distributed to First Interstate Bank	($132,051)	
Net cash (used) by financing activities	($132,051)	($276,431)
Net increase in cash	($6,048)	$20,689

ACTION PRODUCTS INC.

Statements of Operations and Retained Earnings (Deficit) for the Three Months Ended March 31, 1992 and March 31, 1991

	Three Months Ended March 31, 1992 (Unaudited)	Three Months Ended March 31, 1991 (Unaudited)
Sales	$868,024	$1,447,155
Cost of sales	$798,155	$1,346,405
Gross profit	$69,869	$100,750
Selling, general and administrative expenses	$94,405	$130,620
Operating income (loss)	($24,536)	($29,870)
Other costs and expenses		
Interest expense	$1,055	$54,970
	$1,055	$54,970
Net income (loss)	($25,591)	($84,840)
Retained earnings (deficit), beginning of period	($3,650,872)	($3,111,315)
Preferred Stock Dividends Paid		
Retained earnings (deficit), end of period	($3,676,463)	($3,196,155)
Net income (loss) per common share	(.010)	(.033)
Weighted average number of shares outstanding	2,584,053	2,584,053

Item 2: Management's Discussion and Analysis

Results of Operations.

As disclosed in the Company's 8K reports dated November 14, 1991, and December 19, 1992 and its annual report on Form 10-K, a receiver was appointed to manage the assets and business of the Company in anticipation of their sale. During the first quarter of 1992, the Receiver paid to the major secured party of the company $132,000.00.

Sales for the first quarter were $868,024 as compared to $1,447,155 for the same period last year. The Sales decline is attributed to uncertainty about the Company's continued operations due to the appointment of the receiver. The Company had a gross profit of $69,869 or 8% of net sales for the first quarter, 1992 as compared to $100,750 or 6% of net sales for the same period last year. This increase is attributed to increases in the price of the product and reductions in cost. Sales, general and administrative expenses decreased from $130,620 for the First Quarter, 1991 to $94,405 for the First Quarter, 1992 as a result of elimination of staff.

The Company had a gross loss of $25,591 for the First Quarter of 1992 as compared to a gross loss of $84,840 for the same period last year. This decrease is attributable to the suspension of the accrual or payment of interest on the Company's major indebtedness as a result of the appointment of the Receiver.

Liquidity and Working Capital.

As reported in the Company's annual report on Form 10-K, the assets of the Company were turned over to the Company's major creditor, Joe Hrudka, in satisfaction of his loan of $1,824,000 in October, 1991. On May 1, 1992, Mr. Hrudka sold the operating assets of the Company to Mini Wheels West, Inc. The proceeds of this sale and all outstanding accounts receivable of the Company were paid to First Interstate Bank of Arizona, N.A. (Bank) to satisfy his indebtedness to the (Bank) and to obtain a release of the security interest of the Bank in the operating assets of the Company. As previously reported, Mr. Hrudka had borrowed the Funds he had loaned to the Company from the Bank. In addition to these payments, the Bank required Joe Hrudka, Edmund L. Fochtman, and Fred Wagenhals, directors and major shareholders of the Company, to sign deficiency notes to secure the release of the assets.

As of May 1, 1992, the only remaining asset of the Company is a net operating loss carryforward of $3.6 million.

PART II OTHER INFORMATION

Item 1 Legal Proceedings -- None

Item 2 Changes in Securities -- None

Item 3 Defaults Upon Senior Securities -- None

Item 4 Submission of Matters to a Vote of Security Holders

None

Item 5 Other Information -- None

Item 6 Exhibits and Report on Form 8-K

(a) Exhibits -- None

(b) Reports Filed on Form 8-K -- None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ACTION PRODUCTS, INC.

Date: May 14, 1992

By ______________________
Edmund L. Fochtman, Jr.
President/Treasurer

[redacted]

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934

For the Quarter Ended January 31, 1992

Commission File No. ~~39-7494-CA.~~ 0-18140

Aden Enterprises, Inc.
(Exact name of registrant as specified in its charter)

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Incorporated under the laws of
the State of California
(State of other jurisdiction of
incorporation of organization)

87-0447215
(I.R.S. Employer
Identification Number)

American Towers Building
44 West 300 South
Suite 802 South
Salt Lake City, Utah 84101
(Address of Principal Executive Offices)

Registrant's telephone number, including area code
(801) 521-4114

N/A
Former name, former address and former fiscal year,
if changed since last report

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

(1) Yes X No ___
(2) Yes X No ___

Indicate the number of shares outstanding of each class of common stock as of January 31, 1991.

681,200 Shares of Common Stock Outstanding as of January 31, 1992

Aden Enterprises, Inc.

Form 10-Q
Three Months Ended January 31, 1992

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ADEN ENTERPRISES, INC.
(A Development Stage Company)

FINANCIAL STATEMENTS

January 31, 1992
&
January 31, 1991

ADEN ENTERPRISES, INC.
(A Development Stage Company)

Balance Sheet
Unaudited

	January 31, 1992	April 30, 1991
ASSETS		
Current Assets		
Cash in Bank	-0-	1,656
Note Receivable - Current Portion (Note #2)	80,000	40,000
Interest Receivable	-0-	3,000
Note Receivable - Related Party	-0-	30,000
Total Current Assets	80,000	74,656
Other Assets		
Furniture	5,161	6,180
Automobile (Note #3)	7,286	11,545
Investments (Note #4)	22,773	22,773
Total Other Assets	35,220	40,498
TOTAL ASSETS	115,220	115,154

The accompanying notes are an integral part of this financial statement

ADEN ENTERPRISES, INC.
(A Development Stage Company)

Balance Sheet
Unaudited
-Continued-

	January 31, 1992	April 30, 1991
LIABILITY & STOCKHOLDERS' EQUITY		
Current Liabilities		
Cash in Bank Overdraft	1,073	1,579
Accounts Payable	1,996	-0-
Note Payable - Related Parties (Note #6)	21,651	5,568
Payable - Public Investor (Note #5)	128	128
Total Current Liabilities	24,848	7,275
Stockholders' Equity		
Common Stock 10,000,000 Shares Authorized; 681,200 Shares Issued and Outstanding; No Par Value	108,941	108,941
Income (Deficit) Accumulated in the Development Stage	(18,569)	(1,062)
Total Stockholders' Equity	90,372	107,879
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	115,220	115,154

The accompanying notes are an integral part of this financial statement

ADEN ENTERPRISES, INC.
(A Development Stage Company)

Statement of Operations
-Unaudited-

	Nine Months Ended January 31, 1992	Nine Months Ended January 31, 1991	Three Months Ended January 31, 1992	Three Months Ended January 31, 1991
Interest Income	7,500	10,095	3,300	3,002
Operating Expenses	25,007	98,769	10,019	65,855
Net (Loss)	(17,507)	(88,674)	(6,719)	(62,853)
(Loss) Per Common Share	(.03)	(.26)	(.01)	(.18)
Weighted Average Number of Shares	681,200	340,600	681,200	340,600

The accompanying notes are an integral part of this financial statement

ADEN ENTERPRISES, INC.
(A Development Stage Company)

Statement of Stockholders' Equity
Unaudited
For the Period May 22, 1986 (date of inception)
through January 31, 1992

	Common Stock		Retained
	Shares	Amount	Earnings
Beginning Balance, May 22, 1986	-0-	-0-	-0-
Common Stock Issued for Cash May 22, 1986	100,000	12,500	-0-
Cash Contributed by Public Investors	-0-	14,322	-0-
Net Loss for the Period Ended April 30, 1987			(532)
Net Loss for the Period Ended April 30, 1988			(20,472)
Cash Contributed by Officer	-0-	10,691	-0-
Common Stock Issued for Cash February 28, 1989	240,600	71,428	-0-
Net Loss for the Period Ended April 30, 1989			(89,362)
Net Income for the Period Ended April 30, 1990			194,573
Net Loss for the Period Ended April 30, 1991			(85,269)
Stock Dividend	340,000		
Net Loss for the Period Ended January 31, 1992			(17,507)
Balance January 30, 1991	681,200	108,941	(18,569)

The accompanying notes are an integral part
of this financial statement

ADEN ENTERPRISES, INC.

(A Development Stage Company)

Statement of Cash Flows
Unaudited

	Nine Months Ended January 31, 1992	Year Ended April 30, 1991
Operating Activities		
Net Income (Loss)	(17,507)	(85,269)
Adjustments to reconcile net income (loss) to net cash provided:		
Amortization	-0-	32
Depreciation	5,278	5,159
(Increase) Decrease in Interest Receivable	3,000	-0-
(Increase) Decrease in Notes Receivable Officer	30,000	13,257
Decrease (Increase) in Note Receivable	(40,000)	38,164
Increase (Decrease) in Accounts Payable	417	1,131
(Decrease) Increase in Note Payable - Auto	-0-	(14,041)
Increase (Decrease) in Note - Related Party	16,083	(1,332)
Net Cash From Operating Activities	(2,729)	(42,899)
Investing Activities		
Purchase of Furniture	-0-	(6,795)
Investments	-0-	(4,000)
Notes Receivable	-0-	83,434
Net Cash Used In Investing Activities	-0-	72,639

The accompanying notes are an integral part
of this financial statement

ADEN ENTERPRISES, INC.
(A Development Stage Company)

Statement of Cash Flows
-Continued-

	Nine Months Ended January 31, 1992	Year Ended April 30, 1991
Financing Activities		
Increase in Bank Overdraft	1,073	-0-
Increase in Deferred Tax Liability	-0-	(38,131)
Net Cash Used by Financing Activities	1,073	(38,131)
Net Increase (Decrease) in Cash	(1,656)	(8,391)
Cash at Beginning of Period	1,656	10,047
Cash at End of Period	-0-	1,656

The accompanying notes are an integral part of this financial statement

ADEN ENTERPRISES, INC.
(A Development Stage Company)

Notes to Financial Statements

NOTE #1 - Accounting Policies

Organization of the Business

The Company was incorporated on May 22, 1986 under the laws of the State of Nevada. During August 1988, the Company merged with Aden Enterprises, Inc., a California Corporation, changing the Company's corporate domicile to the state of California.

The Company has not commenced planned principal operations and is considered to be a development stage enterprise. The Company's principal business activity is investing in all forms of investments or lawful business activities.

Accounting Method

The Company recognizes income and expense according to the accrual method of accounting.

Amortization of Organization Costs

The Company amortizes its organization costs by the straight line method over a five year period.

Income (Loss) Per Share of Common Stock

Income (Loss) per share of common stock is computed on the weighted average number of shares outstanding.

NOTE #2 - Notes Receivable

On November 22, 1988, the Company filed suit against Condor D.C. Power Supplies, Inc., and its two principals. The action resulted from Condor's failure to comply with merger agreements between the Company and Condor. In 1989, the Company was awarded damages and costs in the amount of $388,000. During the period ended July 31, 1990, the Company received principal payments of $388,000.

On July 31, 1990, the Registrant loaned $100,000 to Ari Diamonds, Inc., Joseph L. Goott and Pana J. Goott, at 12% per annum interest, and all principal and interest due on July 31, 1991. The Company has received $20,000 in principle payment from Ari Diamonds. The loan is represented by a promissory note to the Registrant, dated August 1, 1990 and

NOTE #2 - Notes Receivable -Continued-

is secured by a mortgage on commercial property in Salt Lake City, Utah. Joseph L. Goott is the son of the President of the Registrant.

In February 1991, the Company loaned to Mergers International, Inc. $30,000 at 12% per annum payable January 31, 1992. In January 1992, Ari Diamonds accepted this note from Mergers International, Inc.

NOTE #3 - Automobile

The company purchased, from it's president Mr. Joseph Goott, a 1989 Cadillac for $17,035. Mr. Goott is provided the automobile for Company business and his personal use.

The automobile is being depreciated over a three year life using the straight line method.

NOTE #4 - Investments

The Company acquired from its president shares of stock in Castle, Inc., for $12,772. The acquired shares represent in excess of 50% of the total shares outstanding and were acquired at Mr. Goott's cost.

The Company acquired from Norwood, Inc., in excess of 50% of its issued and outstanding shares of common stock for $6,000. Mr. Goott is an officer of Norwood, Inc.

The Company purchased shares of common stock from Matrix Inc., and Margate, Inc., in the amount of $2,000 each. Mr. Goott is an officer of both corporations.

NOTE #5 - Payable Public Investors

In February, 1989, the Company received proceeds from its public offering that had been held in escrow. All investors were given rights of recision. One check was returned by the post office as undeliverable and is being held until the purchaser can be located.

NOTE #6 - Lease Agreement

The Company currently leases office facilities from its President on a month-to-month basis at $600 per month.

NOTE #7 - Attempted Merger

Pursuant to a preliminary agreement dated November 13, 1990 the Company purposed to acquire Lovejoy Cosmetics, Inc, a Utah Corporation. The Company agreed to issue shares of its restricted common stock. The agreement would change the name of the corporation to Lovejoy Cosmetics, Inc. and the Company would pay to Mergers International, a Utah Corporation a finders fee of $50,000 and consulting fees of no less than $50,000 for the two years following the completion of the merger.

In April 1991, the Company withdrew its preliminary agreement and negotiation ceased. Prior to the cessation of negotiations the Company had paid to Mergers International $76,961 in fees. These funds are considered non refundable and accordingly have been expensed.

The Company's president is also the president of Mergers International, Inc.

NOTE #8 - Stock Dividend

On June 26, 1991 the Board of Directors adopted a resolution, authorizing a declaration of a dividend on all of its outstanding shares. As of record dated, June 28, 1991, one share of common stock for each share held on that date and that such dividend shares shall be restricted or free trading based upon whether the outstanding shares were restricted or free trading.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Liquidity and Capital Resources

Item #2 Management Discussion and Analysis of Financial Condition and Result of Operations

The registrant has not been successful in procuring a business opportunity. The Company continues its efforts to find a opportunity that would be beneficial to its stockholders'. During this period of development the Company continues to pay its expenses from its cash reserves which are at present depleted.

Liquidity

The Company is presently in a non liquid position and is seeking to collect notes receivable to provide its operating capital.

PART II - OTHER INFORMATION

Item 1 Legal Proceedings - None

Item 2 Changes in the Rights of the Company's Security Holders
None

Item 3 Defaults by the Company on its Senior Securities
None

Item 4 Results of Votes of Security Holders - None

Item 5 Other Information - None

Item 6 Exhibits and Reports on Form 8-K - None

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: Feb 18. 1992

By: Joe Goott
Joe Goott
(Principal Executive Officer)

Date: Feb 18 1992

By: Joe Goott
Joe Goott
(Principal Financial and
Accounting Officer)

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended March 31, 1992 Commission File Number 0-17977

C92-2231

ALL-QUOTES, INC.

(Exact name of registrant as specified in its charter)

DELAWARE	13-3469637
(State of other jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification Number

40 Exchange Place, New York, New York 10005

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (212) 425-5030

NONE

Former name, former address and former fiscal year, if changed since last report.

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed in Section 13 or 15(d) of Securities Exchange Act of 1934 during the preceding twelve (12) months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

YES X NO ____

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

Class	Outstanding as of May 18, 1992
Common Stock, $0.00001 par value	119,556,666

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ALL-QUOTES, INC.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

Page 1 Consolidated Balance Sheets At June 30, 1991 and March 31, 1992.

Page 2 Consolidated Statements of Operations for the three and nine months ended March 31, 1991 and March 31, 1992.

Page 3 Consolidated Statements of Cash Flows for the three and nine months ended March 31, 1991 and March 31, 1992.

Page 4 Notes to Consolidated Financial Statements

Item 2. Management's Discussion and Analysis of Results of Operations and Financial Condition

Page 7 Financial Condition and Liquidity and Results of Operations

PART II. OTHER INFORMATION

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ALL-QUOTES, INC.

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 1992

ALL-QUOTES INC.
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

ASSETS

	June 30, 1991	March 31, 1992
Current Assets		
Cash and cash equivalents	$720,475	$146,017
Interest receivable	1,686	600
Accounts receivable	5,490	6,922
Deposit receivable	-	19,232
Stock subscription receivable	-	40,000
Restricted cash for bank loan	-	284,385
Total Current Assets	727,651	497,156
ETU Inventory	111,035	84,067
Property and Equipment Net	498,754	447,368
Other Assets		
Goodwill net	422,814	414,878
Deferred charges net	2,700	3,955
Research & development	20,000	20,000
Other	35,407	32,943
Total Other Assets	480,921	471,776
TOTAL ASSETS	$1,818,361	$1,500,367

LIABILITIES AND SHAREHOLDERS' EQUITY

	June 30, 1991	March 31, 1992
Current Liabilities		
Due to affiliates	$ 139,891	$ 178,142
Bank loan	-	284,385
Accounts payable and accrued expenses	123,060	85,131
Deferred income	44,429	-
Long term debt - current	28,039	41,820
Total Current Liabilities	335,419	589,478
Commitments and contingencies		
Long Term Debt less current	439,043	436,026
Minority Interest	490,305	164,893
Shareholders' Equity		
Common stock, $.00001 par value authorized, 500,000,000 shares issued and outstanding, 117,056,666 and 122,389,999	1,171	1,224
Additional paid in capital	2,428,413	2,538,359
Common stock subscribed	-	40,000
Deficit	(1,875,990)	(2,269,613)
Total Shareholders' Equity	553,594	309,970
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$1,818,361	$1,500,367

See notes to financial statements.

ALL-QUOTES, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	1991	1992	1991	1992
Revenues:				
User Fees	$164,304	$403,781	$430,121	954,393
Other	-	1,135	-	7,443
	164,304	404,916	430,121	961,836
Expenses:				
Selling, general and administrative expense	424,462	583,408	1,072,501	1,653,879
(Loss) from operations	(260,158)	(178,492)	(642,380)	(692,043)
Interest expense	-	(32,493)	-	(57,270)
Interest income	6,113	11,442	13,386	30,263
(Loss) before minority interest	(254,045)	(199,543)	(628,994)	(719,050)
Minority interest in loss of consolidated subsidiary	52,304	140,803	109,302	325,427
NET LOSS	$(201,741)	$(58,740)	$(519,692)	$(393,623)
(Loss) per common share	$(.002)	$(.000)	$(.004)	$(.003)
Average number of shares of Common Stock outstanding during period	117,056,666	120,973,333	117,056,666	119,821,762

ALL-QUOTES, INC.

CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	1991	1992	1991	1992
Cash flows from operating activities:				
Net loss	$(201,741)	$(58,740)	$(519,692)	$(393,623)
Adjustments to reconcile net loss to net cash used in operating activities:				
Depreciation and Amortization	34,072	38,333	94,470	121,023
Minority interest in loss	(52,304)	(140,788)	(109,302)	(325,412)
(Increase) Decrease in interest receivable	0	17	9,761	1,086
Decrease (Increase) in accounts receivable	0	(3,656)	10,993	(1,432)
Increase in Deposit receivable		(7,804)		(7,804)
(Increase) Decrease in ETU inventory	4,634	5,467	4,094	5,327
(Increase) Decrease in other assets	(30,474)	(31,594)	(33,277)	2,464
Increase in Due to Affiliates		38,251		38,251
(Decrease) in Deferred Income	-	0	-	(44,429)
Increase (Decrease) in accounts payable and accrued expenses	62,641	(4,760)	(2,127)	(37,929)
Total adjustments	18,569	(106,534)	(25,388)	(248,855)
Net cash used in operating activities	(183,172)	(165,274)	(545,080)	(642,478)
Cash flows from investing activities:				
Purchase of equipment	(6,461)	(23,148)	(135,973)	(65,473)
Organization Cost		(2,510)		(2,510)
Write off of equipment		0		26,668
Purchase of stock in consolidated subsidiary	0	0	(5,000)	-
Net cash used in investing activities	(6,461)	(25,658)	(140,973)	(41,315)
Cash flows from financing activities:				
Bank Loan		26,376		284,385
Restricted cash for bank loan		(26,376)		(284,385)
Exchange Rate Adjustment	24,635	(3,827)	6,863	2,353
Private Placement of Common Stock		60,000		110,000
Current Maturity		(3,018)		(3,018)
Stock issued by consolidated subsidiary	0	-	5,000	-
Cash (used) provided in financing activities	24,635	53,155	11,863	109,335
Net increase (decrease) in cash and cash equivalents	(164,998)	(137,777)	(674,190)	(574,458)
Cash and cash equivalents at beginning of the period	282,395	283,794	791,587	720,475
Cash and cash equivalents at the end of the period	$117,397	$146,017	$117,397	$146,017

ALL-QUOTES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 1992
(Unaudited)

(A) The consolidated financial statements include the amounts of the Company and its subsidiary. All material transactions between the consolidated companies are eliminated and all normal recurring adjustments which, in the opinion of management, are necessary for a fair presentation of the results for the periods indicated are included. It is suggested that these statements be read in conjunction with the audited financial statements contained in the Company's 1991 Annual Report.

(B) Canadian, Hong Kong, and Singapore assets and liabilities of the majority owned subsidiary have been translated at exchange rates in effect at the close of the period, and expenses were translated at average rates during the period. Net deferred translation gains and losses are accumulated in stockholders' equity.

(C) The Company and its subsidiary have entered into lease agreements for office space. The leases expire in 1992 through 1997. Remaining commitments under the leases mature as follows:

Year Ending June 30,	Amount
1992	$ 19,895
1993	91,908
1994	23,433
1995	3,348
1996	3,451
Thereafter	2,647
	$144,682

Electricity and certain escalations are additional.

(D) The consolidated financial statements include 100% of the assets, liabilities and loss of All-Quotes Data Ltd. and Subsidiary (AQDL) a company which is not 100% owned by the Company. Since the Company controls AQDL, the ownership interest of the other stockholders is called minority interest. The reduction of $52,304, $140,803, $109,302 and $325,427 in the Company's net loss for the three and nine month periods ended March 31, 1991 and 1992 is the minority interests share of the loss in AQDL.

continued...

(E) AQDL has a demand line of credit with a commercial bank with a limit of approximately $285,000. All borrowings are at the bank's discretion and bear interest at the bank's prime rate plus 3/4%. Borrowings are secured by a time deposit maintained by the Company at the bank. As of March 31, 1992 the AQDL has borrowed $284,385 against the credit line.

(F) In June, 1991 the Company acquired the Canadian rights to provide stock quotation services from an unrelated third party for an obligation to pay a maximum of $722,500 payable solely out of future profits (as defined) from this operation. The Company may at its option, pay a varying fixed dollar price at different points in times to pay off the note which was for the purchase of fixed assets valued at $42,470, Goodwill valued at $423,255 and deferred interest charges of $256,775. The Company's management has estimated that at projected current earnings it will take twelve years for the note to be repaid. The deferred interest charge is also being amortized over a twelve year period coinciding with the obligation's repayment. In April, 1992 the third party assigned the note to Buy-Phone, Inc., an affiliate of the Company.

(G) On February 14th and March 25, 1992, the Company entered into private placement agreements with an unaffiliated investor to sell 2,500,000 units at a price of $.02 per unit (consisting of one share of common stock and one warrant to purchase a share of common stock at $.04 at any time until January 31, 1994) and 1,666,666 units at a price of $.03 per unit (consisting of one share of common stock and one warrant to purchase a share of common stock at $.05 until February 28, 1994). Of the $100,000 aggregate purchase $60,000 had been received by March 31, 1992. Neither the units nor the underlying securities have been registered under the Securities Act of 1933 consequently the transferability thereof is restricted.

(H) On April 15, 1992 the Company entered into an agreement with a broker-dealer to offer on a best efforts basis in a private placement a maximum of $500,000 principal amount 10% Subordinated Notes due in two years from the date of closing plus five (5) year warrants to purchase an aggregate of 500,000 shares of the Company's common stock at an exercise price of $5.00 per share (assuming a 100 to 1 reverse stock split of current shares outstanding).

ALL-QUOTES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 1992
(Unaudited)

(I) Certain market and geographic data:
Summary information respecting the Company's geographic operations for the three and nine months ended March 31, 1992 follows:

	United States and Canada	Far East	Eliminations	Consolidated
Three Months Ended March 31, 1992				
Total income	$300,944	$103,972	-	$404,916
Operating expense	294,982	288,426	-	583,408
Income (Loss) From Operations	5,962	(184,454)	-	(178,492)
Interest expense (net)	(13,404)	(7,647)	-	(21,051)
Loss before minority interest	(7,442)	(192,101)	-	(199,543)
Minority Interest	-	-	140,803	140,803
Net loss	($7,442)	($192,101)	$140,803	($58,740)
Total assets	$1,178,244	$595,429	($273,306)	$1,500,367
Nine months ended March 31, 1992				
Total income	$782,751	$269,085	($90,000)	$961,836
Operating income	874,026	779,853	-	1,653,879
(Loss) from operations	(91,275)	(510,768)	(90,000)	(692,043)
Interest (Expense) income (net)	(37,836)	10,829	-	(27,007)
Loss before minority interest	(129,111)	(499,939)	(90,000)	(719,050)
Minority Interest	-	-	325,427	325,427
Net loss	($129,111)	($499,939)	$235,427	($393,623)

Item 2. Management's Discussion and Analysis of Results Operations and Financial Condition

This analysis of the Company's capital resources and liquidity and operating results should be viewed in conjunction with the accompanying financial statements, including the notes thereto.

Financial Condition

Liquidity and Capital Resources

The Company's need for funds for various capital projects and overhead expenses during its start-up phase and up to September 30, 1991 was provided for by two private offerings in June 1988 which raised $90,750, the initial public offering of securities consummated by the Company during October 1988 which resulted in proceeds to the Company, net of underwriting discounts and commission, of $720,000, and the exercise in November and December 1988 of warrants of the Company resulting in proceeds to the Company of approximately $900,000. At March 31, 1992, the Company on a consolidated basis had in excess of $146,000 in cash and cash equivalents and a working capital deficit of approximately $92,322. A substantial portion of this cash and cash equivalents ($77,896) has been consolidated from the Company's non wholly-owned subsidiary, All Quotes Data Ltd. ("Data"), and is not freely available to the Company. The Company recognizes its need for liquidity and has been attempting to raise funds through the sale of its securities and, to a lesser extent, the licensing of rights to market exclusively the All-Quotes service in certain geographical areas (e.g. major metropolitan areas). On April 15, 1992 the Company entered into an agreement with a broker-dealer to offer on a best efforts basis in a private placement a maximum of $500,000 principal amount 10% Subordinated Notes due in two years from the date of closing plus five-year warrants to purchase an aggregate of 500,000 shares of the Company's common stock at an exercise price of $5.00 per share (assuming a 100 to 1 reverse stock split of the Company's outstanding shares). As of May 19, 1992 the Company had raised $350,000 of the $500,000. The Company expects to be able to close the remainder of the private placement by the end of May. The Company believes that its internally generated funds, together with funds from the private placement, will satisfy its projected cash needs for at least 12 months.

Results of Operations

During the nine-month period ended March 31, 1992, the Company realized revenues of $961,836, an increase of approximately 124% over the comparable period in fiscal 1991. The increase in revenues is attributable to the significant increase in the Company's subscriber base and user fees and reflects operations of the Company's Canadian operations and user fees generated therefrom for the entire 1992 period. During the third quarter in fiscal 1992, the increased interest in the domestic stock markets led to greater subscriber use, the Company had significantly expanded its operations in the Far East and Canada over the same period in fiscal 1991 and the Company had in place operations in Canada. During the first nine months of fiscal 1992, the Company's expenses increased approximately 54% to $1,653,879 and its net loss decreased approximately 24% to $393,623 from the corresponding period during fiscal 1991. For the three month period ended March 31, 1992 the Company's expense increased from $424,462 to $583,408, approximately 37% and net loss decreased to $58,740 approximately 70%, from the corresponding period during fiscal 1991. The increased expenses incurred by the Company during the first nine months of fiscal 1992 compared to the first nine months of fiscal 1991 resulted primarily from increased selling, general and administrative expenses relating to an increased level of sales domestically and internationally, the expansion of operations in Hong Kong and the commencement of operations in Canada and Singapore. The decrease in the net loss is due primarily to the Company's increased revenues and operating efficiencies. All-Quotes, Inc., the parent corporation which is engaged in operations in the United States and Canada, realized income from operations during the three-month period ended March 31, 1992 of approximately $6,000.

PART II. OTHER INFORMATION

NONE

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has fully caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ALL QUOTES, INC.

Dated: May 19, 1992

By: ______________________

Bronson Conrad
President
Chief Executive Officer,
Chairman of Directors
and Director

Dated: May 19, 1992

By: ______________________

William Lappen
Secretary, Treasurer
and Chief Financial Officer

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QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

RECD S.E.C.
152

FORM 10-Q

D92-2231

[X] Quarterly Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934
For the period ended March 31, 1992

or

[   ] Transition Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934
For the transition period from
------------ to ------------

Commission File Number 0-2616

I.R.S. Employer Identification Number 23-1666392

CONSUMERS FINANCIAL CORPORATION

(a Pennsylvania Corporation)
1200 Camp Hill By-Pass
Camp Hill, Pennsylvania
(717) 761-4230

PROCESSED BY
14-12-x
MAY 22 1992

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Q-Data Corp. - St. Petersburg, FL

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ___

Indicate the number of shares outstanding of each of the issuers classes of common stock, as of the latest practicable date: 2,857,762 shares of the Company's Common Stock (no par value) were outstanding as of April 30, 1992.

Report contains 14 pages
Exhibit Index on page 11 of 14

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CONSUMERS FINANCIAL CORPORATION AND SUBSIDIARIES
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PART 1. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CONSUMERS FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(in thousands)	*March 31, 1992 (Unaudited)*	*December 31, 1991*
Assets		
Investments:		
Fixed maturities	$45,520	$46,955
Equity securities	74	70
Mortgage loans on real estate	33,864	33,771
Policy loans	6,480	6,130
Other invested assets	2,108	2,211
Short-term investments	13,286	13,790
Total investments	101,332	102,927
Cash	802	1,369
Accrued investment income	1,516	1,678
Receivables	6,540	7,404
Deferred policy acquisition costs	40,521	40,987
Other assets	9,868	9,722
	$160,579	$164,087
Liabilities, Redeemable Preferred Stock and Shareholders' Equity		
Liabilities:		
Future policy benefits	$72,203	$71,125
Unearned premiums	46,549	49,584
Other policy claims and benefits payable	3,520	3,533
Other policyholders' funds	1,713	1,700
Liabilities to reinsurers	1,092	1,429
Notes payable	6,924	7,220
Other liabilities	7,924	8,054
	139,925	142,645
Contingency		
Redeemable preferred stock:		
Series A, 8 1/2% cumulative convertible preferred stock, net of treasury stock	4,612	4,603
Shareholders' equity:		
Common stock	31	31
Capital in excess of stated value	8,324	8,324
Net unrealized appreciation of equity securities	17	15
Retained earnings	8,664	9,423
Treasury stock, common	(994)	(954)
	16,042	16,839
	$160,579	$164,087

CONSUMERS FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended March 31,	
(in thousands)	*1992*	*1991*
Revenues:		
Premiums written and policy charges	$9,979	$8,805
Decrease in unearned premiums	3,738	5,503
Gross premium income	13,717	14,308
Less reinsurance ceded	(3,754)	(4,025)
Net premium income	9,963	10,283
Net investment income	1,959	1,974
Net realized investment losses	(28)	(38)
Fees, commissions and other income	1,126	1,021
	13,020	13,240
Benefits and expenses:		
Death and other benefits	4,626	5,616
Increase in future policy benefits	800	679
Amortization of deferred policy acquisition costs	4,303	4,580
Operating expenses	3,743	3,023
	13,472	13,898
Loss before income taxes	(452)	(658)
Income tax expense (benefit)	38	(39)
Net loss	($490)	($619)
Net loss per common and common equivalent share	($0.21)	($0.24)
Net loss per common share – assuming full dilution	*	*

* Anti-dilutive

Cash dividends declared per common share	$0.05	$0.14

See notes to consolidated financial statements.

CONSUMERS FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three Months Ended March 31,	
(in thousands)	*1992*	*1991*
Cash flows from operating activities:		
Net loss	($490)	($619)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of deferred policy acquisition costs	4,302	4,580
Deferred policy acquisition costs incurred	(3,836)	(3,606)
Future policy benefits	309	1,011
Unearned premiums	(3,035)	(4,666)
Amounts due reinsurers	(480)	197
Income taxes	60	(665)
Accounts receivable	1,027	587
Other	(110)	(1,103)
Total adjustments	(1,763)	(3,685)
Net cash used in operating activities	(2,253)	(4,304)
Cash flows from investing activities:		
Purchase of investments	(2,020)	(12,292)
Sale of investments	303	2,534
Maturity of investments	3,335	13,760
Purchase of property and equipment	(104)	(98)
Net cash provided by investing activities	1,514	3,904
Cash flows from financing activities:		
Principal payments on debt	(297)	(324)
Receipts, net of withdrawals, from universal life and investment products	769	1,008
Purchase of treasury stock	(40)	(120)
Cash dividends paid	(260)	(115)
Net cash provided by financing activities	172	449
Net increase (decrease) in cash	(567)	49
Cash at beginning of period	1,369	1,507
Cash at end of period	$802	$1,556

See notes to consolidated financial statements.

Page 5 of [illegible]

CONSUMERS FINANCIAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 1992 AND 1991
(Unaudited)

1. General:

In the opinion of management, the accompanying unaudited consolidated financial statements contain all adjustments (consisting only of normal recurring items) necessary to present fairly the Company's consolidated financial position as of March 31, 1992, the consolidated results of its operations for the three months ended March 31, 1992 and 1991 and the consolidated changes in its cash flows for the three months ended March 31, 1992 and 1991.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. It is suggested that these consolidated financial statements be read in conjunction with the financial statements and notes thereto included in the Company's 1991 annual report to shareholders.

The results of operations for the three months ended March 31, 1992 are not necessarily indicative of the results to be expected for the full year.

2. Contingency:

Reinsured risks would give rise to liability to the insurance subsidiaries only in the event that the reinsuring company might be unable to meet its obligations under the reinsurance agreements in force.

The Company is a defendant in a class action lawsuit in the State of Georgia seeking monetary damages arising from alleged excessive credit insurance charges and payment of excessive commissions between 1983 and 1989. Plaintiffs allege that this conduct violates Georgia Insurance Regulations and the Georgia Racketeer Influenced and Corrupt Organizations Act and are seeking treble and punitive damages and attorneys fees. This case is virtually identical to class action lawsuits filed by the same attorneys against at least 30 other insurers in Georgia. The Company has responded to the suit and preliminary hearings and discovery are in progress. The parties have agreed to settle this litigation subject to court approval.

3. Segment Divestiture

On March 9, 1992, the Company announced its intention to discontinue writing new individual life insurance business and to sell its Individual Life Insurance Division. The Division generated pre-tax operating losses of $450,000 and $233,000 for the three months ended March 31, 1992 and 1991, respectively. Additionally, a charge to earnings of $1,000,000 was reflected in the 1991 financial statements as a write-off of deferred policy acquisition costs related to this Division. No significant developments have occurred during the three months ended March 31, 1992 regarding the divestiture.

4. Subsequent Event

The Company is in violation of a loan covenant relating to a downgrade of the Company's A.M. Best rating. The violation, if not cured within a one year period, would trigger an event of default. The Company believes that sufficient opportunity exists to prevent this situation from becoming an event of default.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

OVERVIEW

The Company reported an operating loss in the first quarter of 1992 of $490,000, or $.21 per share, compared to a $619,000 loss, or $.24 per share, in the same period a year ago. Improved disability claims ratios in the Credit Insurance Division accounted for the improvement, but the better ratios were partially offset by higher expense ratios in that Division and increased losses in the Individual Life Insurance Division, which is being phased out during 1992.

The table below compares revenues and earnings for the first quarter of 1992 and 1991.

(in thousands, except per share amounts)	1992	1991
Total revenues:		
Premiums written and policy charges	$9,979	$8,805
Net investment income	1,959	1,974
Net realized investment losses	(28)	(38)
Fees, commissions and other income	1,126	1,021
	$13,036	$11,762
Pre-tax loss	($452)	($658)
Income taxes (benefit)	38	(39)
Net loss	($490)	($619)
Net loss per common share	($.21)	($.24)
Source of pre-tax income (loss):		
Credit Insurance Division	($351)	($738)
Individual Life Insurance Division	(450)	(233)
Auto Auction Division	336	331
Corporate	41	20
	(424)	(620)
Net realized investment losses	(28)	(38)
	($452)	($658)

RESULTS OF OPERATIONS

A discussion of the most important factors affecting first quarter operating results in each of the Company's three divisions is presented below.

Credit Insurance

After reporting declines in credit insurance premiums in the first quarter of each of the last three years, premiums in the first three months of 1992 increased 9.5%, or $608,000, over the same period last year to $7 million. All of the increase is attributable to premiums produced through two groups of auto dealer accounts acquired in April and July of 1991, which accounted for $1.1 million in premiums in 1992. Premiums written through banks in Ohio declined by $250,000 compared to the first quarter of last year due to the loss of the bankers' association endorsement and the subsequent cancellation of the bank business early in 1992. The continuing slump in the auto industry resulted in generally flat production from all other sources. Although there are indications that a slow economic recovery has begun, its impact is expected to have only minimal effects on 1992 credit insurance premiums. Consequently, the Company is projecting only a modest increase in the Division's premium revenues for the year (from $31.9 million last year to $33 million in 1992).

Pre-tax operating results in the Credit Insurance Division improved from a $738,000 loss last year to a $351,000 loss in 1992. The reduction in the operating loss is due to improved disability claims experience in Ohio. Claims in Ohio were exceptionally high throughout 1991 and particularly in the first two quarters of the year. While results have improved in Ohio, that segment of the Credit Division remains unprofitable and , as in 1991, is responsible for the Division's entire first quarter loss. Life and disability claims ratios continue at levels well above those which had historically been achieved by the Ohio subsidiary prior to its acquisition by the Company in late 1989. Reduced premium levels due to economic conditions and the loss of the bank business have also created higher than anticipated expense ratios in that state. A review of the viability of the Ohio operation is in process and a decision concerning continuing in that market is expected by mid-year.

Disability claims ratios in the Division's other markets also improved compared to the first quarter of 1991. Much of that improvement , however, was offset by higher life claims ratios and increased expense ratios. The Credit Division's profitability has also been affected by its current investment income levels. Although investment income is about the same as in 1991, investment income earned by the Credit Insurance Division has decreased from its 1989 first quarter level of $1.3 million to $1.1 million in 1992, principally as a result of the reduction in premium revenues over the past several years. To a lesser extent, lower interest rates have also contributed to the decline in investment income.

Individual Life Insurance

The Company's unprofitable Individual Life Insurance Division is in the process of being phased out, as announced in March of this year. The phase-out plan involves the discontinuation of new business production and the sale of the Division's in-force book of business. During the second quarter, the Company effectively terminated about two-thirds of its new business production through an agreement reached with a large unaffiliated insurer. This arrangement has essentially converted the Company's direct marketing organization into a general agency operation. The marketing organization will soon begin to write new premiums for the other insurer and the Company will receive a commission on the business produced. The remaining one-third of the Company's new production, which is marketed by another insurer through a joint venture, is in the process of being terminated.

These actions are significant because they will reduce the strain on regulatory capital and surplus during the remainder of 1992 until the block of existing individual life business is sold. The Company's inability to finance its growth in this line of business, in terms of maintaining its regulatory capital and surplus level, was a principal factor in management's decision to discontinue the individual life operation. An independent valuation of the existing in-force policies is in the final stages of being completed and the process of soliciting offers for the sale of the block of business will be started soon. The Company is optimistic that the sale of the inforce business will be completed by December 31, 1992.

Auto Auction

Interstate Auto Auction's fee revenues rose 3% in the first quarter to $991,000 as a result of continued increases (11% in 1992) in the volume of vehicles sold through the auction. Pre-tax profits from the auction were up slightly in 1992 to $336,000 compared to $331,000 for the three months ended March 31, 1991.

FINANCIAL CONDITION

(in thousands, except per share amounts)	March 31, 1992	December 31, 1991
Invested assets	$101,332	$102,927
Total assets	$160,579	$164,087
Total debt	$6,924	$7,220
Total shareholders' equity and redeemable preferred stock	$20,653	$21,442
Debt as a percent of total capital	25.1%	25.2%
Shareholders' equity per common share	$5.61	$5.88

Invested Assets

The reduction in invested assets which the Company experienced throughout 1991 continued in the first quarter of 1992. Invested assets declined $1.6 million from year end to $101.3 million at the end of March. The drop in the asset base reflects the impact of reduced cash flows in the Credit Insurance Division.

Asset quality remains relatively sound. Only one bond in the Company's portfolio, representing less than 1% of the fixed maturities portfolio, is considered non-investment grade. The market value of all bonds and other fixed maturity investments was $1.2 million higher than the book value of those securities at March 31, 1992. Seven mortgage loans with March 31 balances of $4.6 million (13% of the mortgage portfolio) are still considered non-performing since interest on them is more than 90 days past due. Although the economic conditions which precipitated the problems with most of the loans continue, the Company has improved its position with regard to non-performing loans since early in 1991, when most of the problems began, through workout arrangements involving conditional rent assignments and cross-collateralization of properties. At June 30, 1991, 11 mortgages with principal balances of $7 million were more than 90 days past due, while at year end, ten loans with balances of $5.6 million were considered non-performing. Even though no significant losses on any loans in the mortgage portfolio are anticipated at the present time, a $350,000 reserve for possible losses has been established ($300,000 in 1991), and the Company expects to continue increasing the reserve by about $50,000 per quarter throughout 1992.

Liquidity

The Company's operating subsidiaries have historically met most of their cash requirements through funds generated from operations, although reduced credit insurance revenues, in particular, and economic conditions, in general, continue to negatively impact the insurance companies' operating cash flows. The Company must usually rely on its operating subsidiaries to provide it with sufficient cash funds to maintain an adequate liquidity position. In that regard, the life insurance subsidiaries are also subject to restrictions imposed by law on their ability to transfer cash to the Company in the form of dividends, loans or advances. Recently passed or pending legislation in the states which regulate the insurance subsidiaries will further restrict the payment of dividends and other distributions by those companies. Interstate Auto Auction and Guardian Insurance Agency provide the Company with sources of cash which are not subject to insurance regulations that restrict their ability to transfer cash. The net cash used in consolidated operating activities for the three months ended March 31, 1992 and 1991 is presented in the Consolidated Statements of Cash Flows.

Capital Resources

Total equity, including redeemable preferred stock, decreased $800,000 since December 31, 1991. The decrease was attributable to the loss from operations ($490,000) as well as dividends to shareholders ($260,000).

The Company's insurance subsidiaries continue to utilize reinsurance agreements to finance their credit and individual life insurance operations and maintain adequate levels of statutory capital and surplus. These agreements minimize reductions of statutory surplus which result from new premium production.

The Company's principal subsidiary, Consumers Life, continues to experience some reduction in its regulatory capital and surplus as a result of losses in its Individual Life Division. The plan to cease writing new business, as discussed above, should reduce these losses in the remainder of the 1992, especially in the last half of the year when the strain from all new production should be eliminated. In addition, the sale of the existing policies is expected to have a positive impact on regulatory surplus.

As a result of Consumers Life's increased use of these surplus relief reinsurance agreements and its 10% drop in regulatory capital and surplus in 1991, A.M. Best Company, a national insurance company rating organization, has advised Consumers that it intends to lower the company's rating. Management is presently discussing this matter with the rating organization. The rating downgrade could have some effect on the Company's ability to market its credit insurance products in the future; however, management believes that alternative marketing arrangements exist which should minimize any impact this rating change may have.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Except for the matter discussed in Note 2 to the Notes to Consolidated Financial Statements included elsewhere in this Form 10-Q, neither the registrant nor its subsidiaries are involved in any pending legal proceedings other than routine litigation incidental to the normal conduct of its business nor have any such proceedings been terminated during the three months ended March 31, 1992.

Item 2. Changes in Securities

During the three months ended March 31, 1992, there have been no limitations or qualifications, through charter documents, loan agreements or otherwise, placed upon the holders of the registrant's common or preferred stock to receive dividends.

Item 3. Defaults upon Senior Securities

The registrant has not defaulted in the payment of principal, interest or in any other manner on any indebtedness and is current with all its accounts. There is no arrearage in the payment of dividends on the registrant's preferred stock.

Item 4. Submission of Matters to a Vote of Security Holders

No matters were submitted to a vote of the stockholders of the registrant during the three months ended March 31, 1992.

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits required to be filed by Item 601 of Regulation S-K:

(11) Computation of Earnings per Common Share. [illegible]

(b) Reports on Form 8-K:

Form 8-K was filed on March 11, 1992 reporting on the announcement by the registrant of its intention to discontinue its Individual Life Insurance Division.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CONSUMERS FINANCIAL CORPORATION
Registrant

Date May 19, 1992 By

James C. Robertson, President
(Chief Executive Officer)

Date May 19, 1992 By

R. Fredric Zullinger
Senior Vice President, Chief Financial Officer
and Treasurer

CONSUMERS FINANCIAL CORPORATION AND SUBSIDIARIES
EXHIBIT 11
COMPUTATION OF EARNINGS PER COMMON SHARE

(in thousands, except per share amounts)	*Three Months Ended March 31,* *1992*	*1991*
Primary Earnings Per Share		
Reconciliation of net loss per Statements of Operations to amount used in primary earnings per share computation:		
Net loss	($490)	($619)
Preferred dividend requirement	(105)	(114)
Accretion in carrying value of preferred stock	(9)	(9)
Net loss, as adjusted	($604)	($742)
Reconciliation of weighted average number of shares outstanding to amount used in primary earnings per share computation:		
Weighted average number of shares of common stock and equivalents outstanding	2,859	3,091
Net loss per common and common equivalent share	($0.21)	($0.24)

CONSUMERS FINANCIAL CORPORATION AND SUBSIDIARIES
EXHIBIT 11
COMPUTATION OF EARNINGS PER COMMON SHARE

(in thousands, except per share amounts)	*Three Months Ended March 31,* *1992*	 *1991*
Fully Diluted Earnings Per Share		
Reconciliation of net loss per Statements of Operations to amount used in fully diluted earnings per share computation:		
Net loss	($490)	($619)
Reconciliation of weighted average number of shares outstanding, as adjusted, per primary computation on preceding page, to amounts used in fully diluted earnings per share computation:		
Weighted average number of shares outstanding, as adjusted, per primary computation on preceding page	2,859	3,091
Add shares issuable from assumed conversion of 8 1/2% cumulative convertible preferred stock	729	754
Weighted average number of shares of common stock and equivalents outstanding	3,588	3,845
Net loss per share - assuming full dilution	*	*

* Anti-dilutive

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES AND EXCHANGE ACT OF 1934

For Quarter ended March 31, 1992

Commission File Number 0-14665

DAILY JOURNAL CORPORATION
(Exact name of registrant as specified in its charter

South Carolina
(State or other jurisdiction of incorporation or organization)

95-4133299
(I.R.S. Employer Identification No.)

South Grand Ave., 34th floor
Los Angeles, California
(Address of principal executive office)

90071-1560
(Zip code)

Registrant's telephone number, including area code: (213) 624-7715

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes: X. No:

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

Class	Outstanding at March 31, 1992
Common Stock, par value $ .01 per share	1,735,274 shares

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DAILY JOURNAL CORPORATION

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PART 1
Item 1. Financial Statements
DAILY JOURNAL CORPORATION
CONSOLIDATED BALANCE SHEET

	March 31, 1992 (unaudited)	September 30, 1991 (audited)
ASSETS		
Current assets:		
Cash, including money market accounts	$ 934,601	$ 1,476,087
Accounts receivable, less allowance for doubtful accounts of $800,000 and $750,000	4,790,704	5,180,138
Inventories	154,897	292,926
Prepaid expenses and other assets	624,779	706,575
Total current assets	6,504,981	7,655,726
Property, plant and equipment, at cost:		
Land, buildings and improvements	6,638,196	6,839,406
Furniture and fixtures	5,170,255	4,763,996
Machinery and equipment	1,434,360	1,428,678
	13,242,811	13,032,080
Less accumulated depreciation	(3,730,042)	(3,106,898)
	9,512,769	9,925,182
Deferred tax benefits	130,701	139,921
Intangible assets, at cost, less accumulated amortization of $535,000 and $1,755,000	808,170	935,035
	$16,956,621	$18,655,864
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 2,175,411	$ 3,282,927
Accrued liabilities, including current portion of management fee payable of $50,000	2,049,180	1,979,067
Notes payable	722,276	4,468,133
Income taxes payable	236,353	307,573
Deferred subscription revenue	4,970,129	4,843,488
Total current liabilities	10,153,349	14,881,188
Management termination fee payable	107,500	125,000
Notes payable	3,189,049	212,335
Shareholders' equity:		
Preferred stock, no par value, 5,000,000 shares authorized and no shares issued	-	-
Common stock, $.01 par value, 5,000,000 shares authorized; 1,735,274 shares and 1,739,387 shares, respectively, outstanding	17,353	17,394
Other paid-in capital	2,205,858	2,211,086
Retained earnings	1,460,284	1,329,605
Less 14,160 and 9,288 treasury shares, at cost, respectively	(176,772)	(120,744)
Total shareholders' equity	3,506,723	3,437,341
	$16,956,621	$18,655,864

See accompanying notes to consolidated financial statements.

DAILY JOURNAL CORPORATION
CONSOLIDATED STATEMENT OF INCOME
(Unaudited)

	Three months ended March 31	
	1992	1991
Revenues:		
Advertising	$4,321,889	$4,154,379
Circulation	2,263,847	1,889,887
Advertising service fees and other	1,170,676	939,594
	7,756,412	6,983,860
Costs and expenses:		
Salaries and employee benefits	3,325,123	3,335,122
Newsprint and printing expenses	966,442	943,190
Postage and delivery expenses	649,155	625,186
Commissions and other outside services	861,460	844,135
Depreciation and amortization	390,354	441,849
Other, including interest expenses	1,269,070	1,170,980
	7,461,604	7,360,462
Income (loss) before taxes	294,808	(376,602)
Provision (benefit) for income taxes	135,000	(170,000)
Net income (loss)	$ 159,808	$ (206,602)
Weighted average number of common shares outstanding	1,721,134	1,730,099
Net income (loss) per share	$ .09	$ (.12)

See accompanying notes to consolidated financial statements.

DAILY JOURNAL CORPORATION
CONSOLIDATED STATEMENT OF INCOME
(Unaudited)

	Six months ended March 31	
	1992	1991
Revenues:		
Advertising	$ 8,141,535	$ 8,018,222
Circulation	4,384,482	3,925,603
Advertising service fees and other	2,180,705	1,904,104
	14,706,722	13,847,929
Costs and expenses:		
Salaries and employee benefits	6,567,796	6,663,680
Newsprint and printing expenses	1,880,881	1,838,911
Postage and delivery expenses	1,245,673	1,156,492
Commissions and other outside services	1,631,272	1,573,955
Depreciation and amortization	770,349	872,407
Other, including interest expenses	2,291,255	2,158,306
	14,387,226	14,263,751
Income (loss) before taxes	319,496	(415,822)
Provision (benefit) for income taxes	145,000	(190,000)
Net income (loss)	$ 174,496	$ (225,822)
Weighted average number of common shares outstanding	1,722,643	1,733,969
Net income (loss) per share	$ .10	$ (.13)

See accompanying notes to consolidated financial statements.

DAILY JOURNAL CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

	Six months ended March 31	
	1992	1991
Cash flows from operating activities:		
Net income (loss)	$ 174,496	$ (225,822)
Adjustments to reconcile net income (loss) to net cash:		
Depreciation and amortization	770,349	872,407
Deferred income taxes	9,220	9,220
Gain on sale of capital assets	(71,673)	-
Changes in assets and liabilities:		
(Increase) decrease in current assets		
Accounts receivable, net	389,434	706,021
Inventories	138,029	310,907
Prepaid expenses and other assets	81,796	(18,350)
Increase (decrease) in current liabilities		
Accounts payable	(1,107,516)	(1,986,494)
Accrued liabilities	70,113	(279,869)
Income taxes payable	(71,220)	(518,981)
Deferred subscription revenue	126,641	371,434
Cash provided by (used for) operating activities	509,669	(759,527)
Cash flows from investing activities:		
Capital expenditures	(417,232)	(562,319)
Proceeds from sale of capital assets, net	257,834	-
Cash used for investing activities	(159,398)	(562,319)
Cash flows from financing activities:		
Net short-term bank borrowings	-	1,589,477
Principal payments under management termination fee obligation and notes payable	(786,643)	(196,678)
Purchase of treasury and common stock	(105,114)	(156,057)
Cash provided by (used for) financing activities	(891,757)	1,236,742
Decrease in cash and cash equivalents	(541,486)	(85,104)
Cash and cash equivalents:		
Beginning of year	1,476,087	209,977
End of period	$ 934,601	$ 124,873
Interest paid during period	$ 196,666	$ 238,642
Income taxes paid during period	$ 207,000	325,000

See accompanying notes to consolidated financial statements.

DAILY JOURNAL CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

Note 1 - The Corporation and Operations:

The Daily Journal Corporation is primarily a gatherer and distributor of information through its publications and specialized information services. California Newspaper Service Bureau, Inc., a wholly owned and consolidated subsidiary since it was acquired in April 1990, is a newspaper representative specializing in public notice advertising. Essentially all of the Company's operations are based in California.

Note 2 - Basis of Presentation

In the opinion of the Company, the accompanying unaudited consolidated financial statements contain all adjustments (consisting of only normal recurring adjustments) necessary to present fairly its financial position as of March 31, 1992 and September 30, 1991, the results of operations for the three- and six-month periods ended March 31, 1992 and 1991 and its cash flows for the six months ended March 31, 1992 and 1991.

The results of operations for the six months ended March 31, 1992 and 1991 are not necessarily indicative of the results to be expected for the full year.

The consolidated financial statements included herein have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading. It is suggested that these financial statements be read in conjunction with the financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 1991.

Note 3 - Notes Payable

The Company converted all the indebtedness to the bank used to finance the Los Angeles facilities amounting to $3,725,000 to a term loan, repayable in equal monthly installments over seven years, bearing interest at the prime rate plus one percentage point. The term loan is secured by all assets except real estate. The assets pledged include accounts receivable now over $4,500,000. The new term loan prohibits dividends but may be repaid at any time without penalty. The Company has a $500,000 revolving line of credit which was not used at March 31, 1992.

DAILY JOURNAL CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations

Revenues were $14,707,000 and $13,848,000 for the six months ended March 31, 1992 and 1991, respectively. This increase of 6% is primarily attributable to subscription rate increases. One of the Company's important revenue sources is help-wanted advertising which is sensitive to the general business levels and under pressure throughout the newspaper industry at this time. During the six months ended March 31, 1992 classified advertising revenues, despite rate increases, declined approximately $143,000, but this was offset by increased legal advertising revenues and advertising service fees.

Costs and expenses increased to $14,387,000 from $14,264,000. Personnel costs decreased due to fewer employees partially offset by normal salary adjustments. Advertising agency commissions increased because of additional agency sales. Other outside services increased primarily due to additional utilization of contract personnel. Postage costs increased because of the postal rate increase. The decrease in depreciation and amortization costs is primarily due to the full amortization of the legal notice licenses for two recently acquired newspapers partially offset by the increase in depreciation expense due to additional fixed assets. The increase in other expenses included additional facility and related costs in Los Angeles and San Francisco.

Net income was $174,000 compared to a net loss of $226,000 for the six months ended March 31, 1992 and 1991, respectively.

Liquidity and Capital Resources

During the six months ended March 31, 1992, the Company's cash position decreased by $541,000. The reduction of notes payable and the purchase of furniture, equipment and treasury and common stock exceeded the cash flow from operating activities of $510,000 which included a net increase in prepayments for subscriptions of $127,000. Proceeds from the sale of subscriptions from newspapers, court rule books and other publications are booked as deferred subscription revenue and are included in earned revenue only over the duration of the subscriptions. As of March 31, 1992, the Company had a working capital of $1,322,000 before deducting the liability for deferred subscription revenues of $4,970,000 which will be earned within one year.

The new office and printing facility in Los Angeles was completed in October 1990 at a cost of approximately $8.5 million including new presses and other production equipment, office furniture and equipment and computer equipment. On December 31, 1991, the Company converted all the indebtedness to the bank used to finance the Los Angeles facilities amounting to $3,725,000 to a term loan, repayable in equal monthly installments over seven years, bearing interest at the prime rate plus one percentage point. The term loan is secured by all assets except real estate. The assets pledged include accounts receivable now over $4,500,000. The new term loan prohibits dividends but may be repaid at any time without penalty. The Company has a $500,000 revolving line of credit which was not used at March 31, 1992.

In January 1992 the Company sold for $275,000 the real property acquired along with the Orange County Reporter and paid the collateral note of $205,000.

DAILY JOURNAL CORPORATION

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K:

(A) Exhibits - none

(B) Reports on Form 8-K - None

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

DAILY JOURNAL CORPORATION
(Registrant)

Gerald L. Salzman
Chief Financial Officer

DATE: May 12, 1992

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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

F92-2231

For Quarter Ended March 31, 1992 — Commission File Number 0-14102

FRONTIER ADJUSTERS OF AMERICA, INC.
(Exact name of registrant as specified in its charter)

Arizona
(State or other jurisdiction of incorporation or organization)

86-0477573
(I.R.S. Employer Identification No.)

45 East Monterey Way, Phoenix, AZ 85012
(Address of principal executive offices)

Former name, former address and former fiscal year, if changed since last report

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ____

Number of shares of Common Stock outstanding on April 30, 1992 4,710,410

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PART I - FINANCIAL INFORMATION

Item 1 - Financial Statements

FRONTIER ADJUSTERS OF AMERICA, INC.
AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEET

	Mar. 31, 1992 (unaudited)	June 30, 1991 (*)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 599,688	$ 123,309
Investments	1,247,560	554,501
Receivables	1,293,033	1,144,390
Prepaid expenses	160,999	161,611
Other	60,409	42,359
TOTAL CURRENT ASSETS	3,361,689	2,026,170
PROPERTY AND EQUIPMENT	2,067,098	1,726,764
Less accumulated depreciation and amortization	582,550	555,548
	1,484,548	1,171,216
OTHER ASSETS		
Cost of subsidiary in excess of net tangible assets acquired	213,817	213,817
Less accumulated amortization	164,686	162,952
	49,131	50,865
Investments (Long term)	236,693	236,587
Other	132,792	163,244
	418,616	450,696
TOTAL ASSETS	$5,264,853	$3,648,082
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	$ 11,488	$ 28,340
Accrued expenses	239,131	186,652
Franchisee/licensee remittance payable	307,651	106,101
Other	127,627	58,929
TOTAL CURRENT LIABILITIES	685,897	380,022
STOCKHOLDERS' EQUITY		
Common stock	47,104	42,664
Additional paid in capital	1,943,918	1,037,314
Retained earnings	2,587,934	2,188,082
	4,578,956	3,268,060
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$5,264,853	$3,648,082

* Condensed from audited financial statements.

The accompanying notes are an integral part of these condensed statements.

FRONTIER ADJUSTERS OF AMERICA, INC.
AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(unaudited)

	Nine Months Ended March 31, 1992	Nine Months Ended March 31, 1991	Three Months Ended March 31, 1992	Three Months Ended March 31, 1991
REVENUES				
Continuing licensee and franchisee fees	$2,618,083	$2,552,654	$ 846,517	$ 887,129
Adjusting fees	505,947	742,566	192,856	218,279
Risk management fees	172,990	111,326	58,534	42,058
	3,297,020	3,406,546	1,097,907	1,147,466
COST AND EXPENSES				
Compensation & fringe benefits	1,415,585	1,391,236	480,361	467,302
Office	241,798	232,443	75,028	75,545
Advertising and promotion	196,759	173,973	115,329	75,365
Depreciation and amortization	80,948	98,568	27,978	31,911
Provision for doubtful accounts	70,000	90,000	30,000	30,000
Other	345,480	300,051	119,199	80,494
	2,350,570	2,286,271	847,895	760,617
INCOME FROM OPERATIONS	946,450	1,120,275	250,012	386,849
OTHER INCOME (EXPENSE)				
Interest income	81,573	66,753	26,393	21,435
Gain of sale of Tucson operations	-	93,969	-	-
Other (Net)	38,851	(8,975)	8,138	156
TOTAL OTHER INCOME (EXPENSE)	120,424	151,747	34,531	21,591
INCOME BEFORE INCOME TAXES	1,066,874	1,272,022	284,543	408,440
INCOME TAXES	414,609	503,899	109,547	161,883
NET INCOME	$ 652,265	$ 768,123	$ 174,996	$ 246,557
Weighted Average Shares outstanding	4,588,871	4,266,390	4,710,410	4,266,390
NET INCOME PER COMMON SHARE	$ .14	$ .18	$ .04	$ .06

The accompanying notes are an integral part of these condensed statements.

FRONTIER ADJUSTERS OF AMERICA, INC.
AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(unaudited)

Nine Months Ended March 31, 1992 and 1991

	1992	1991
NET INCOME	$ 652,265	$768,123
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	74,790	111,345
(Gain) on disposition of property and equipment	(8,984)	(309)
(Gain) on sale of Tucson operations	-	(93,969)
Change in assets and liabilities:		
(Increase) decrease in:		
Receivables	(148,643)	(67,952)
Prepaid expenses	612	(21,513)
Other	(33,902)	(31,760)
Increase (decrease) in:		
Accounts payable	(16,852)	(3,623)
Accrued expenses	52,479	119,288
Franchisee and licensee remittance payable	201,550	9,091
Other	(2,032)	(3,600)
Total adjustments	119,018	16,998
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	771,283	785,121
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(317,493)	(31,541)
Investments purchased	(2,156,861)	(596,697)
Proceeds from sales of investments	1,510,000	690,000
Proceeds from disposition of property & equipment	10,819	64
Proceeds from sale of Tucson operations	-	15,000
NET CASH PROVIDED(USED)BY INVESTING ACTIVITIES	(953,535)	76,826
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash dividends	(252,413)	(213,319)
Repayment of long term debt	-	(400,000)
Other	12,623	-
Proceeds from issuance of common stock	898,421	-
NET CASH USED IN FINANCING ACTIVITIES	658,631	(613,319)
NET INCREASE (DECREASE) IN CASH	476,379	248,628
Cash at beginning of the period	123,309	185,911
Cash at the end of the period	$ 599,688	$434,539

Supplemental disclosures of Cash Flow information (Note 2)

The accompanying notes are an integral part of these condensed statements.

FRONTIER ADJUSTERS OF AMERICA, INC.
AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

(1) Basis of Presentation

The financial information included herein is unaudited; however, such information reflects all adjustments (consisting solely of normal recurring adjustments) which are, in the opinion of management, necessary for a fair statement of results of operations for the interim periods.

The results of operations for the nine month period ended March 31, 1992 are not necessarily indicative of the results to be expected for the full year.

(2) Cash Flow Information

Supplemental disclosure of cash flow information:

	1992	1991
Cash paid during the nine month period		
Interest	$ -	$ 24,000
Income Taxes	$500,164	$559,420

Supplemental schedule of non cash investing and financing activities:

The Company sold its Tucson operations in December, 1990
Transaction was recorded as follows:

Gross Sales Price	$160,000
Interest Imputed at 11.25%	52,956
Net Sales Price	107,044
Cash Received	15,000
Balance Receivable	$ 92,044

(3) Investments

Face Value	Description	Maturity Date	Book Value
$ 270,000	U. S. Treasury Bill	June 6, 1992	$ 267,204
$1,000,000	U. S. Treasury Bill	Sept. 19, 1992	980,356
			$1,247,560

(4) Property and Equipment

	1992	1991
Land	$ 500,143	$ 350,000
Buildings and improvements	801,905	801,905
Computer and software	301,026	296,929
Furniture and fixtures	221,074	214,268
Automobiles	76,575	63,662
Construction in progress	166,375	-
	2,067,098	1,726,764
Less accumulated depreciation and amortization	582,550	555,548
	$1,484,548	$1,171,216

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

(5) Investments (Long Term)

Face Value	Description	Maturity Date	Book Value
$ 50,000	Salt River Project Agricultural Improvement & Power District 7.25%	Jan. 1, 2019	$ 50,000
$ 25,000	City of Chandler, Arizona General Obligation Bond 6.75%	July 1, 2005	24,255
$ 25,000	Pima County IDA Tucson S-A 6.875%	April 1, 2006	24,738
$ 50,000	Salt River Project Agricultural Improvement & Power District 7.25%	Jan. 1, 2016	50,127
			149,120
Citi-Central Plains Partners II, a California Limited Partnership (5 Units)			87,573
			$236,693

(6) Stock Offering

The Company and William W. Strawther, Jr. and his wife, Marjorie A. Strawther, as Trustees under Trust Agreement, dated June 7, 1989, establishing the William W. Strawther, Jr. and Marjorie A. Strawther Living Trust (Selling Shareholders) entered into an agreement dated August 21, 1991 with W. B. McKee Securities, Inc. (Underwriter) to sell 1,000,000 shares of Common Stock of the Company at $2.50 per share. The Company offered 300,000 shares of stock and the Selling Shareholders offered 700,000 shares. The offering was made by the Underwriter on an all-or-none "best efforts" basis. The 1,000,000 shares of Common Stock were sold within 45 days from the date of the Prospectus, and the Company exercised its option to offer, through the Underwriter, on a best efforts basis, an additional 150,000 shares of Common Stock.

The offering was completed on September 13, 1991 with a total sale of 1,144,020 shares, of which 444,020 were sold by the Company. Pursuant to an agreement between the Company and the Selling Shareholders, the Company received $286,005 for payment of the expenses of the offering. The actual expenses of the offering were $259,260. The balance of $26,745 was pro-rated between the Selling Shareholders and the Company. Accordingly, the Company paid the Selling Shareholders upon the final accounting of the offering expenses $16,365 on October 11, 1991.

Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations

Financial Condition

The Company has historically financed its ongoing operations through cash generated by its operations; however, because of the need for additional office space, as well as the Company's agreement to expand into London, England during the 1992 fiscal year (which are explained in more detail in the following paragraphs), the Company participated in a public offering of its common stock which raised $898,42[illegible] net of expenses in connection with the offering. The Company's ongoing operations generated $771,283 in cash during the nine months ended March 31, 1992. The cash generated by the Company's ongoing operations were used to pay the $252,413 in cash dividends during the Company's current fiscal year, and a major portion of the remaining cash generated by ongoing operations is committed for the payment of the Franchisees and Licensees remittance payable in the amount of $307,651. Management believes that the Company will be able to fund all of its other cash requirements from its ongoing operations.

The Company is renovating and expanding its principal executive office by adding approximately 5,250 square feet to the approximately 8,000 square feet of currently existing office space. The total cost of the renovation of the Company's principal executive office will be approximately $225,000. To accommodate the parking requirements of the additional office space as well as the parking that the renovation of the Company's principal office will remove from its current use, the Company acquired a parcel of real property across the street from its principal executive office, which was owned by William W. Strawther, Jr., the Company's Chairman of the Board, and Marjorie A. Strawther, his wife, for $150,000. The Company has removed existing improvements from the parcel and is constructing certain other improvements to enable the parcel to be utilized for employee parking. The rezoning of the parcel, the removal of the existing improvements and the construction of the necessary other improvements thereon will cost the Company approximately $50,000. The Company also anticipates that during the 1992 fiscal year it will expend approximately $150,000 to $225,000 on equipment upgrades and enhancements as well as furnishings for the additional office space provided by the renovation of which approximately $66,000 has been expended as of March 31, 1992. As of March 31, 1992, the Company had paid $245,787 towards the purchase of the land, improvements and renovations. Additionally, the Company owed approximately $70,000 for the improvements and renovations as of March 31, 1992.

The Company has agreed to grant a franchise for a suburb of London, England to one of its existing franchisees. It is intended that the franchisee will establish an office in London from which he will conduct his adjusting business as well as seek to market the Company and its Licensees' and Franchisees' adjusting services in the United States and Canada to British insurers and underwriters. The Company has agreed to pay certain of that franchisee's business expenses during the first year of operations. The Company also anticipates advancing the franchisee certain funds to assist him in meeting his business and personal expenses in connection with his start up operations. The Company anticipates that the expenses it will pay as well as the advances to the Company's London franchisee will total approximately $200,000 over two years starting April 1, 1992. The Company's agreement to pay certain of the franchisee's expenses during his first year of operations is expected to have a negative effect on the Company's earnings and working capital.

Financial Condition (Continued)

Management's policy has been to maintain a solid financial position. At March 31, 1992, the Company's ratio of current assets to current liabilities was 4.9 to 1 as compared to 5.33 to 1 on June 30, 1991, which is evidence of Management's commitment to this policy.

Results of Operations - Nine Months Ended March 31, 1992 Compared to 1991

Revenues

The Company's revenues decreased from $3,407,000 to $3,297,000 for the nine months ended March 31, 1992 compared to 1991. The decrease consists of a $237,000 decline in adjusting fees, a $65,000 increase in continuing licensee and franchisee fees and a $62,000 increase in risk management service fees.

Continuing licensing and franchising fees increased to $2,618,000 from $2,553,000, an increase of $65,000 or 3%. The Company's Licensees and Franchisees continue to have growth in fees paid to the Company, particularly the new offices which were established in the previous fiscal year. The fact that the Company's Licensees' and Franchisees' revenues are affected by both natural and man-made events makes it impossible for the Company to project revenue growth or that revenues will continue at the current rates. The Company, however, is continuing its growth in the number of Franchisees and Licensees, as qualified individuals come to the Company. The Company believes that this will provide for future growth in continuing licensing and franchising fees.

Because of the Company's geographical distribution of the Company's licensees/franchisees, the effects of the lack of or the abundance of natural or man-made events normally have minimal effect on the Company's revenues; this, however, is not the case when it comes to the offices which the Company owns and operates. The first nine months of the Company's 1991 fiscal year revenues from adjusting reflect the effects of several major storms which hit the Phoenix, Arizona area, generating significant revenues from adjusting. The Company, however, did not have the same type of natural phenomenon during the same period of the Company's current fiscal year. This lack of storms resulted in an approximate $125,000 reduction in revenues from adjusting. Additionally, in December, 1990, the Company sold its Tucson operations to an individual who now operates it as a franchisee of the Company. This reduced adjusting fees approximately $87,000; however, the Company received approximately $14,000 in franchise fees as a result of this transaction during the current nine months. On March 31, 1992, the Company elected to no longer operate the offices it owned in Oregon. These offices are in the process of being transferred to Licensees. This action will result in an approximate $14,000 decline in adjusting revenues per quarter, however, the Company will receive Licensee/Franchisee fees of approximately $2,100 per quarter as a result of the change. The Company will additionally reduce its operating expenses by approximately $24,000 related to the Oregon operations.

Risk management revenues increased to $173,000 in 1992 from $111,000 in 1991. The majority of this increase is attributed to a client to which the Company is providing services related to the adjusting of claims.

Compensation and Fringe Benefits

The Company's most significant expenses are those for the compensation and the related fringe benefits and payroll taxes of its employees. The Company's expenses relative to its employees increased $24,000 when compared to the same period of the prior year. Although the Company had a significant decrease in adjusting salaries due to the lack of storm-related claims, this is more than offset by by an increase in other salaries and benefits due to inflation.

Expenses other than Compensation and Fringe Benefits

Expenses other than compensation and fringe benefits increased $40,000 when comparing the nine months ended March 31, 1992 with the same period of the prior year. The majority of this increase is related to expenses relative to the Company's listing on the NASDAQ's National Marketing System and additional insurance coverage the Company initiated in May of 1991.

Income Taxes

Income taxes were 39% of the Company's income before taxes for the nine months ended March 31, 1992 which is substantially the same as it was in the prior year. The Company has not been affected by any significant changes in the federal or state income tax laws increasing the rates. However, the Company could be affected by changes in the federal or state rates at any time.

The Company has elected to defer implementation of Financial Accounting Standard No. 96 "Accounting for Income Taxes" (FAS No. 96). If the Company had implemented FAS No. 96, there would have been no significant changes in income taxes reported.

Net Income

The Company's net income decreased from $768,000 to $652,000; a decrease of $116,000 or 15%. The decrease in net income is related to the Company owned and operated adjusting offices having significant lower revenues due to the lack of storm-related claims in the geographical areas in which they are located, and the Company having sold its Tucson office in December, 1990, at a net gain of $94,000.

Results of Operations - Quarter Ended March 31, 1992 Compared to 1991

Revenues

The Company's total revenues decreased to $1,098,000 for the third quarter of the 1992 fiscal year compared with $1,147,000 in the same quarter of the 1991 fiscal year. This represents a 1% decrease over the prior year's results.

Revenues (Continued)

The Company's franchise/license fees were $847,000 in the third quarter of fiscal 1992. This is an insignificant change in franchise/license fees. The franchise/license fees have benefited from the continued growth in franchise/license locations and the number of major storms nationwide.

Adjusting fees from Company-owned adjusting offices decreased 12% to $193,000. A portion of the decrease is a result of the sale of the Tucson, Arizona office and fewer storm related claims this year than in the prior year.

The third component of the Company's revenues is its risk management fees. Fees from risk management were $59,000.

Compensation and Fringe Benefits

The Company's most significant expenses are those for compensation and fringe benefits of its employees. The Company's expense relative to its employees was relatively stable at $480,000 for the quarter ended March 31, 1992.

Expenses other than Compensation and Fringe Benefits

The Company's other expenses increased to $367,000 from $293,000. The change is related to an increase in the cost of national advertising due to the increase in number of Licensees/Franchisees as well as several new ads the Company ran in trade publications. Additionally, the Company had expenses related to the Company's listing on the NASDAQ National Marketing System and additional insurance coverage the Company initiated in May of 1991.

Income Taxes

The Company's income taxes have been stable at approximately 38-40% of income before income taxes. The Company has benefited from the federal government's unchanged tax structure.

PART II: OTHER INFORMATION

Responses to items one through five not listed above are omitted since these items are either inapplicable or the response thereto would be negative.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FRONTIER ADJUSTERS OF AMERICA, INC.

Date: May 4, 1992

William J. Rocke, President, Director
Principal Financial Officer

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0-34911

92 15 5298

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SEC MAIL RECEIVED PROCESSING
MAY 19 1992
WASH. D.C.

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 1992

S92-2251

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____________ to ____________

For Quarter Ended March 31, 1992 Commission file number 0-13664

GRANGE NATIONAL BANC CORP
(Exact name of registrant as specified in its charter)

PENNSYLVANIA	23-2314065
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

MAIN AND BEE STREETS LACEYVILLE, PENNSYLVANIA	18623
(Address of principal executive offices)	(Zip Code)

(Registrant's telephone number, including area code) (717) 869-1522

NOT APPLICABLE
Former name, former address and former fiscal year, if changed since last report.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter periods that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No___

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date.

Common Stock, $5 Par Value-87,440 shares as of April 30, 1992.

[illegible]D BY
[illegible]

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PART I. FINANCIAL INFORMATION

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DANIEL KENIA P.C.
CERTIFIED PUBLIC ACCOUNTANT
[illegible]

40 BRIDGE STREET
TUNKHANNOCK, PA 18657

The Board of Directors and Stockholders
Grange National Banc Corp.

The accompanying consolidated balance sheet of The Grange National Banc Corp. and Subsidiary as of March 31, 1992 and the related consolidated statements of income, changes in undivided profits, and statements of cash flows for the three months ended March 31, 1992 and 1991 were not audited by me, and accordingly, I do not express an opinion on them.

The financial statements do not contain all of the disclosures required by generally accepted accounting principles. If these required disclosures were included, they might influence the user's conclusions about the bank's financial position, results of operations and changes in financial position.

The financial statements for the year ended December 31, 1991 were examined by me, and my report thereon dated January 9, 1992 expressed an unqualified opinion on those statements. The accompanying consolidated balance sheet as of December 31, 1991 has been derived from these financial statements.

Daniel Kenia

Tunkhannock, Pennsylvania
May 14, 1992

GRANGE NATIONAL BANC CORP. AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS, MARCH 30, 1992 AND DECEMBER 31, 1991

	1992 (UNAUDITED)	1991 (AUDITED)
ASSETS:		
Cash and due from banks	$1,399,410	$1,570,664
Interest bearing deposits	571,647	571,647
Investment securities (market value 1992, $13,838,000; 1991, $15,477,000)	13,508,202	14,806,736
Federal Funds Sold and FHLB	5,288,443	2,999,120
Loans, net	29,144,616	28,002,123
Less: allowance for loan losses	(276,318)	(256,575)
Loans, net	28,868,298	27,745,548
Bank premises and equipment, net	1,312,546	1,207,710
Accrued interest and other assets	656,968	602,298
TOTAL ASSETS	**$51,605,514**	**$49,503,723**
LIABILITIES:		
Domestic deposits:		
Non-interest bearing deposits	$3,777,961	$3,664,148
Interest bearing deposits	42,677,100	40,870,999
Total deposits	46,455,061	44,535,147
Other borrowed funds	382,154	382,971
Accrued interest and other liabilities	491,819	479,359
Total liabilities	**47,329,034**	**45,397,477**
STOCKHOLDERS' EQUITY:		
Common stock authorized 300,000 shares of $5 par value; 87,440 shares issued and outstanding; at March 31, 1992 and December 31, 1991	437,200	437,200
Additional paid-in capital	734,400	734,400
Retained earnings	3,105,180	2,934,946
Total	4,276,780	4,106,546
Less: Treasury stock, 6 shares at cost	(300)	(300)
Total stockholders' equity	**4,276,480**	**4,106,246**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$51,605,514**	**$49,503,723**

GRANGE NATIONAL BANC CORP. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 1992 AND 1991

(Dollars in thousands, except per share data)	THREE MONTHS ENDED MARCH 31	
	1992	1991
Interest Income:		
Interest and fees on loans..................	$788,403	$718,615
Interest on investment securities...........	269,253	217,791
Interest on federal funds sold and FHLB....	38,849	80,432
Interest on deposits in banks..............	9,280	17,108
Total interest income..............	1,105,785	1,033,946
Interest Expense:		
Interest on deposits........................	583,696	619,938
Interest on borrowed funds..................	7,024	2,356
Total interest expense.............	590,720	622,294
Net interest income..................	515,065	411,652
Provision for loan losses..............	17,500	12,000
Net interest income after provision for loan losses..........	497,565	399,652
Other Income:		
Service charges and other income...........	57,815	49,210
Other Expenses:		
Salaries and employee benefits.............	157,328	139,278
Occupancy expense...........................	23,400	18,778
Equipment expense...........................	30,521	27,117
Other operating expense.....................	112,897	114,025
Total other expenses...............	324,146	299,198
Income before income taxes..................	231,234	149,664
Provision for income taxes..................	61,000	42,600
Net income..................................	$170,234	$107,064
Earnings per share..........................	$1.95	$1.22
Weighted average common shares..............	87,434	87,434

GRANGE NATIONAL BANC CORP. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN RETAINED EARNINGS (UNAUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 1992 AND 1991

	1992	1991
Balance, January 1	$2,934,946	$2,485,304
Net income	170,234	107,064
Balance, March 31	$3,105,180	$2,592,368

GRANGE NATIONAL BANC CORP. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

THREE MONTHS ENDED MARCH 31,	1992	1991
OPERATING ACTIVITIES		
Net income	$170,234	$107,064
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	21,000	18,750
Provision for loan losses	17,500	12,000
Changes in operating assets and liabilities:		
Increase in accrued interest and other assets	(54,670)	(98,694)
Increase (decrease) in accrued interest and other liabilities	12,460	11,150
NET CASH PROVIDED BY OPERATING ACTIVITIES	**166,524**	**50,270**
INVESTING ACTIVITIES:		
Purchase bank premises and equipment	(125,835)	(2,173)
Purchase of investment securities	(100,000)	(3,655,914)
Sales and redemptions of investment securities	1,327,861	603,124
Decrease (increase) in mortgage-backed securities	70,672	55,685
Increase in loans to customers	(1,140,250)	1,655,268
Decrease in deposits in banks		397,000
NET CASH USED IN INVESTING ACTIVITIES	**32,448**	**(947,010)**
FINANCING ACTIVITIES:		
Increase in deposits before interest credited	1,607,297	1,357,078
Interest credited to deposits	311,800	421,237
NET CASH PROVIDED BY FINANCING ACTIVITIES	**1,919,097**	**1,778,315**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**2,118,069**	**881,575**
CASH AND CASH EQUIVALENTS, JANUARY 1	**4,569,784**	**5,364,114**
CASH AND CASH EQUIVALENTS, MARCH 31	**$6,687,853**	**$6,245,689**
SUPPLEMENTARY SCHEDULE OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	$191,239	$218,814

See Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. BUSINESS COMBINATION AND PRINCIPLES OF CONSOLIDATION:

Grange National Banc Corp. (Company) was organized and incorporated under the laws of the Commonwealth of Pennsylvania on October 2, 1984, for the purpose of becoming a bank holding company. On April 30, 1985, the Company acquired the Grange National Bank of Wyoming County (Bank) pursuant to a plan of reorganization and agreement of merger. The Bank became a wholly owned subsidiary of the Company, and each outstanding share of Bank common stock was converted into one share of Company common stock. The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiary (Bank) with the reorganization accounted for as a pooling of interests.

2. BASIS OF PRESENTATION:

The accompanying unaudited consolidated financial statements have been prepared in conformity with the accounting principles and practices reflected in the annual financial statements, and reflect all adjustments which are, normal and recurring and in the opinion of management, necessary for a fair presentation of the results of operations for the interim periods. The results of operations reported in interim financial statements are not necessarily indicative of results to be expected for the year.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION:

Net income for the three months ending March 31, 1992, totaled $170,000, which is a 59% increase from the $107,000 net income reported for the same period in 1991. Net interest income for the three months ending March 31, 1992 increased by $103,000 compared to the first three months of 1991. This net increase is attributable to a $72,000 increase in interest income and a $31,000 decrease in interest expense.

The increase in deposits in the past several years has provided funds for investment in interest earning assets, which coupled with the continuing increase in outstanding loan balances has resulted in a substantial increase in interest income for the first three months of 1992, compared to the first three months of 1991. Deposits at March 31, 1992 totaled $46,455,000 compared to $44,535,000 at December 31, 1991. Loan demand has been very strong during the first quarter of 1992 due to increased demand for commercial loans in Wyoming County, the implementation of an Affordable Housing Program by the Bank, and because of customers desire to make purchases and home improvements while interest rates are low. Average loan balances increased by $3,112,000, or 12.56% during the first three months of 1992 compared to $1,979,000, or 7.98% for the same period in 1991, which resulted in an increase of $70,000 in loan interest income over 1991. The increase in total loans, which is the bank's highest yielding asset, is the primary reason interest income for the first three months exceeds the same period in 1991.

The provision for loan loss during the three months ended March 31, 1992 and 1991 was $17,500 and $12,000 respectively. The allowance for loan loss represents .95% of total loans as of March 31, 1992 compared to .92% for December 31, 1991. Management performs a quarterly analysis of the bank's potential loan losses on a "worst case" basis. This information is closely reviewed by the Board of Directors and used to evaluate the adequacy of the loan loss reserve. Although management is of the opinion that loan quality remains strong, the bank continues to build the loan loss reserve in order to cover identifiable potential losses and provide coverage for unexpected losses. Non-performing loans for the period ending March 31, 1992 totaled $356,000, representing 1.22% of total loans, compared to $262,000, representing .94% of total loans at December 31, 1991. Five foreclosures are currently in process. It is anticipated that in most instances the loans will be paid off prior to foreclosure, but in one other case the bank expects to acquire the real estate.

Investments in securities decreased by $1,299,000, or 8.77% from December 31, 1991 to March 31, 1992. This has been due to maturities and investments with call provisions being called, as anticipated. The average interest rate earned on investments during the first three months of 1992 decreased by .69% compared to the same period of 1991. The market value of all investments, for the periods ending March 31, 1992 and December 31, 1991, exceeds the bank's acquisition cost for these investments. The interest decrease is due to previous investments at higher interest rates maturing and being replaced by current investments, which generally produce lower yields. Although investment opportunities exist which will produce higher yields they generally contain a higher risk or require a longer maturity. The bank's management has elected to continue with its conservative investment policies which prohibit high risk investments and generally preclude long term fixed rate investments of any significance.

Salaries and employee benefits have increased by $18,000 during the first three months of 1992 compared to the same period in 1991. This is mainly due to annual payroll increases at the beginning of the year, an increase in employee benefit costs, and hiring additional employees for the new office to open in Tunkhannock, Pennsylvania, in June. Other operating expenses have generally increased due to the greater volume of business compared to the previous year. F.D.I.C. deposit insurance premiums also increased by $6,866 for the quarter ending March 31, 1992 compared to the same period of 1991.

Management has made an effort to improve the bank's repricing and liquidity by performing an interest rate sensitivity analysis on a monthly basis. This report in reviewed by management and the Board of Directors to determine ways to improve the bank's interest rate sensitivity gap. As a result, the bank is placing greater emphasis on the utilization of adjustable rate loan products, with repricing to occur on at least an annual or quarterly basis. The bank is also in the process of converting IRA accounts from a 2 year repricing basis to a quarterly basis. In time these changes should greatly improve the bank's repricing opportunities.

During 1990 the Comptroller of the Currency instructed all national banks to perform a "Risk Based Capital" analysis each quarter, to determine if the institution is in compliance with their minimum standards. The "Risk Based Capital" analysis and standards were for informational purposes only for 1990, but became requirements of all national banks beginning in 1991. Risk Based Capital ratios for the period ending March 31, 1992 was 10.27% compared to 11.21% on December 31, 1991. This institution's capital is well in excess of the minimum requirements as determined by the new "Risk Based" analysis and standards.

GRANGE NATIONAL BANC CORP. AND SUBSIDIARY

AVERAGE BALANCES, INTEREST INCOME/EXPENSE AND RATES FOR THE THREE MONTHS ENDED MARCH 31, 1992 AND 1991

	THREE MONTHS ENDED MARCH 31, 1992			THREE MONTHS ENDED MARCH 31, 1991		
(Dollars in thousands)	(1) AVERAGE BALANCE	INTEREST INCOME/ EXPENSE	AVERAGE INTEREST RATE	(1) AVERAGE BALANCE	INTEREST INCOME/ EXPENSE	AVERAGE INTEREST RATE
INTEREST EARNING ASSETS:						
Loans:						
Mortgages..............	$16,792	$515	12.27%	$14,915	$428	11.48%
Installment............	3,026	99	13.09	3,287	108	13.14
Commercial.............	8,080	178	8.81	6,584	187	11.36
Total loans...........	27,898	792	11.36	24,786	723	11.67
Investment Securities:						
U.S. Treasury securities	4,747	95	8.01	4,406	91	8.26
U.S. Government agencies	6,158	116	7.53	4,068	86	8.46
Municipal Bonds.........	1,699	40	9.42	706	17	9.63
Other securities........	1,831	32	6.99	1,227	28	9.13
Total securities......	14,435	283	7.84	10,407	222	8.53
Federal funds sold.......	3,885	39	4.02	5,058	81	6.41
Deposits in banks........	565	9	6.37	824	17	8.25
TOTAL...............	**$46,783**	**1,123**	**9.60**	**$41,075**	**1,043**	**10.16**
INTEREST BEARING LIABILITIES:						
Deposits:						
NOW and super-NOW.......	$3,538	36	4.07	$2,942	37	5.03
Savings and money market	13,269	157	4.73	9,257	124	5.36
Certificates of deposit.	24,228	389	6.42	23,864	456	7.64
Other time deposits.....	200	2	4.00	200	3	6.00
Total deposits........	41,235	584	5.67	36,263	620	6.84
Other borrowed funds.....	360	7	7.78	162	2	4.94
TOTAL...............	**41,595**	**591**	**5.68**	**36,425**	**622**	**6.83**
Non-interest bearing funds, net (2)..........	5,188			4,650		
TOTAL SOURCES TO FUND EARNING ASSETS............	**$46,783**	**591**	**5.05**	**$41,075**	**622**	**6.06**
NET INTEREST/YIELD........		**$532**	**4.55%**		**$421**	**4.10%**

(1) Average balances are daily averages. (2) Demand deposits, stockholders' equity and other non-interest bearing liabilities less non-interest earning assets.

NOTE - Tax exempt interest income has been converted to a tax equivalent basis at the U.S. Federal income tax rate of 34%.

PART II. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(11) Statement re: computation of earnings per share:

Earnings per share are calculated on the basis of the weighte average number of shares outstanding. The number of shares used to calculate earnings per share for the periods presen for 1992 and 1991 respectively were 87,434 and 87,434.

During the current fiscal quarter, there have been no events of a required to be filed as a report on Form 8-K.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 193 registrant has duly caused this report to be signed on its behal undersigned, thereunto duly authorized.

GRANGE NATIONAL BANC CORP.
(Registrant)

Date [illegible]

Thomas A. McCullough
President
Chief Executive Officer
Chief Financial Officer

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 1992

H92-2231

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ________ to ________

Commission file No. 0-17964

GREENWAY ENVIRONMENTAL SERVICES, INC.
(Exact name of Registrant as specified in its charter)

NEVADA	87-0438822
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification #)

1400 N. Gilbert Rd., Suite C
Gilbert, Arizona
(Address of principal executive offices) 85234 (zip code)

(602)545-7807
Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. [X] Yes [ ] No

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

Class	Outstanding as of March 31, 1992
$.001 PAR VALUE CLASS A COMMON STOCK	9,303,000

BROADBENT, LAW & CO., P.C.
Certified Public Accountants

ven F. Broadbent, CPA
chael W. Law, CPA

Board of Directors and Stockholders
Greenway Environmental Services, Inc.
1400 N. Gilbert Road, Suite C
Gilbert, AZ 85234

The accompanying balance sheet of Greenway Environmental Services, Inc. as of March 31, 1992, and the related statement of expenses, changes in stockholders' equity and cash flows for the quarter then ended have not been audited. Accordingly, no opinion is expressed.

Broadbent & Law

June 3, 1992

GREENWAY ENVIRONMENTAL SERVICES, INC.
(a development stage company)

BALANCE SHEET

MARCH 31, 1992

ASSETS

Timber Concession	$ 3,100,000
Hillside Mine and Tailings	5,000,000
400 Acres in Cedar City, Utah	568,000
Three Acres in Central City, Colorado	140,000
Organization Costs, $2,000, fully amortized	-0-
Total Assets	$ 8,808,000

LIABILITIES & STOCKHOLDERS' EQUITY

LIABILITIES	$ -0-
STOCKHOLDERS' EQUITY	
Common stock, $0.001 par value, 25,000,000 shares authorized, 9,303,000 issued and outstanding	9,303
Capital contributed in excess of par value	8,800,737
Retained earnings, deficit	(2,040)
Total Stockholders' Equity	8,808,000
Total Liabilities & Stockholders' Equity	$ 8,808,000

The accountant's report and the accompanying notes are an integral part of these financial statements.

GREENWAY ENVIRONMENTAL SERVICES, INC.
(a development stage company)

STATEMENT OF EXPENSES

FOR THE QUARTER ENDED MARCH 31, 1992

Amortization expense	$ 0
Administrative	10
Total expenses	10
Net Income (Loss)	$ (10)

The accountant's report and the accompanying notes are an integral part of these financial statements.

GREENWAY ENVIRONMENTAL SERVICES, INC.
(a development stage company)

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
Period from June 30, 1986 (Date of Inception) to March 31, 1992

	Shares	Amount	Capital in Excess of Par Value	Accum. Deficit
Balance, 6/30/86 (date of inception)	0	0	0	0
Issuance of common stock (restricted) at $.001 per share, 6/30/86	1,000,000	1,000	1,000	0
Balance, 12/31/86	1,000,000	1,000	1,000	(1,950)
Net loss from operations for the year ended 12/31/87				(10)
Balance, 12/31/87	1,000,000	1,000	1,000	(1,960)
Net loss from operations for the year ended 12/31/88				(10)
Balance, 12/31/88	1,000,000	1,000	1,000	(1,970)
Net loss from operations for the year ended 12/31/89				(10)
Balance, 12/31/89	1,000,000	1,000	1,000	(1,980)
Net loss from operations for the year ended 12/31/90				(10)
Balance, 12/31/90	1,000,000	1,000	1,000	(1,990)
Issuance of common stock (restricted) at $.001 per share: 10/31/91	5,000,000	5,000	3,095,000	
11/15/91	1,000,000	1,000	4,999,000	
12/30/91	200,000	200	567,800	
12/30/91	13,000	13	139,987	
12/30/91	30,000	30	0	
Net loss from operations for the year ended 12/31/91				(40)
Balance, 12/31/91	7,243,000	7,243	8,802,787	(2,030)

	Shares	Amount	Capital in Excess of Par Value	Accum. Deficit
Issuance of common stock (restricted) at $.001 per share: 3/02/92	2,000,000	2,000	0	
3/23/92	50,000	50	0	
3/30/92	10,000	10	0	
Net loss from operations for the quarter ended March 31, 1992				(10)
Balance, 3/31/92	9,303,000	9,303	8,800,737	(2,040)

The accountant's report and the accompanying notes are an integral part of these financial statements.

GREENWAY ENVIRONMENTAL SERVICES, INC.
(a development stage company)

STATEMENT OF CASH FLOWS

FOR THE QUARTER MARCH 31, 1992

Cash flows from operating activities		
Net Income (Loss)	$	(10)
Adjustments to reconcile net income to net cash provided from operations		
Stock issuance to directors		10
Cash provided by operating activities		0
Cash flows used by investing activities		
Total cash used by investing activities		0
Cash flows provided by financing activities		
Issuance of restricted common stock without consideration		0
Total cash provided by financing activities		0
Total cash provided		0
Beginning cash		0
Ending cash	$	0

The accountant's report and the accompanying notes are an integral part of these financial statements.

GREENWAY ENVIRONMENTAL SERVICES, INC.
(a development stage company)

Notes to Financial Statements
March 31, 1992

Note 1 - Summary of Significant Accounting Policies

Accounting Methods

The company will recognize income and expenses based on the accrual method of accounting.

Organization Costs

The company has amortized its organization cost over a five year period.

Dividend Policy

The company has not yet adopted any policy regarding payment of dividends.

Income Taxes

The company records the tax effect of transactions in the same year that the transactions enter into the determination of income, regardless of when the transactions are recognized for tax purposes. Tax credits are recorded in the year realized. Since the company has not yet realized income as of the date of this report, no provision for federal or state taxes has been made.

Note 2 - Development Stage Company

The company was incorporated under the laws of the state of Nevada on June 30, 1986. The company has been in the development stage since incorporation. The company has acquired business and capital interests which, in the opinion of management, will provide a profit for the company. Additional external financing may be required to proceed with these projects.

Note 3 - Issuance of Stock to Directors

On December 31, 1991, the company issued 30,000 shares of common stock, 10,000 per director, for services rendered.

On March 30, 1992, the company issued 10,000 shares of common stock to the fourth director, for services rendered.

Note 4 - Timber Concession

In exchange for 5,000,000 shares of common stock and in cooperation with a Belize National, the company has obtained a 100,000 contiguous acre timber concession in that country. This concession grants the company exclusive rights to harvest the timber thereon. This timber consists of cedar, mahogany, rosewood and various species of secondary hardwoods. This concession is renewable annually, as long as harvesting is ongoing. The lease has been renewed through June 3, 1993, as harvesting was begun in May, 1992. The valuation has been arrived at based on the annual net income of similar operations in the area multiplied times five.

Note 5 - Hillside Mine Tailings and Hillside Mine

For a consideration of 1,000,000 shares of common stock the company has obtained title, free and clear of any encumbrances, to the Hillside Mining properties in Bagdad, Arizona. Besides the mine itself, these properties contain 200,000 tons of tailings above ground. The valuation is based on the purchase agreement price as agreed upon between buyer and seller.

Note 6 - 400 Acres in Cedar City, Utah

In consideration of 200,000 shares of common stock, 400 acres of farm land, with a 10" well near Lund, Iron County, Utah was acquired in December , 1991. The value has been determined by an offer to purchase by an unrelated party.

Note 7 - Three Acres in Central City, Colorado

In exchange for 13,000 shares of common stock a commercial property was acquired in December, 1991. The property value has been derived based on an offer to purchase from an unrelated party.

Note 8 - Other Shares Issued in the First Quarter, 1992

On March 2, 1992, 2,000,000 restricted shares were issued for a loan. No consideration has been received to date. If no loan is received, the stock certificates will be cancelled, as they are in the possession of the officers of the company.

On March 23, 1992, 50,000 restricted shares were issued for a loan. Company officers have requested the return of the stock, as no loan was obtained. The issuee has agreed to comply with this request.

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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FORM 10-Q

_X_ Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

B&W

For the quarterly period ended May 2, 1992 or

____ Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

I92-2231

For the transition period from __________ to __________

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Commission File Number 0-7264

PAUL HARRIS STORES, INC.
(Exact name of registrant as specified in its charter)

Indiana	35-0907402
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
6003 Guion Road, Indianapolis, IN	46268
(Address of Principal executive offices)	(Zip Code)
(Registrant's telephone number, including area code)	(317) 293-3900

Not Applicable
Former name, former address and former fiscal year, if changed since last report

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes _X_ No ____

7,546,409 shares of Common Stock without par value were outstanding as of May 2, 1992.

1,528,430 shares of Class B Common Stock without par value were outstanding as of May 2, 1992.

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PAUL HARRIS STORES, INC. AND SUBSIDIARIES

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PAUL HARRIS STORES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
UNAUDITED
(In thousands)

	May 2, 1992	February 1, 1992	May 4, 1991
ASSETS			
CURRENT ASSETS			
CASH AND CASH EQUIVALENTS	$ 1,713	$ 6,480	$ 4,442
CASH - RESTRICTED	20,026	18,823	6,200
MERCHANDISE INVENTORIES	16,416	15,077	25,328
INCOME TAXES RECEIVABLE	95	104	768
OTHER RECEIVABLES	688	630	1,370
PREPAID EXPENSES	912	1,035	2,238
TOTAL CURRENT ASSETS	39,850	42,149	40,346
PROPERTY, FIXTURES AND EQUIPMENT			
LAND, BUILDINGS AND IMPROVEMENTS	8,470	8,471	8,451
STORE FIXTURES AND EQUIPMENT	18,694	18,542	30,925
LEASEHOLD IMPROVEMENTS AND OTHER	20,182	20,059	36,021
	47,346	47,172	75,397
LESS: ACCUMULATED DEPRECIATION AND AMORTIZATION	(25,113)	(23,831)	(36,339)
	22,233	23,341	39,058
OTHER ASSETS	1,244	1,235	1,533
	$ 63,327	$ 66,725	$ 80,937
LIABILITIES AND SHAREHOLDERS' EQUITY			
LIABILITIES NOT SUBJECT TO COMPROMISE			
CURRENT LIABILITIES			
ACCOUNTS PAYABLE	$ 6,018	$ 6,047	$ 4,005
COMPENSATION AND RELATED TAXES	535	1,178	1,040
OTHER ACCRUED EXPENSES	1,610	2,147	1,804
CURRENT MATURITIES OF LONG-TERM DEBT	201	201	184
ACCRUED REORGANIZATION EXPENSE	1,326	1,955	
TOTAL CURRENT LIABILITIES	9,690	11,528	7,033
LONG-TERM DEBT	3,176	3,225	3,565
OTHER NONCURRENT LIABILITIES	1,938	1,938	4,296
LIABILITIES SUBJECT TO COMPROMISE	55,312	55,250	55,427
SHAREHOLDERS' EQUITY			
PREFERRED STOCK (NO PAR VALUE) AUTHORIZED 1,000 SHARES; NONE ISSUED			
COMMON STOCK (NO PAR VALUE) AUTHORIZED 20,000 SHARES; ISSUED 7,547, 7,520 AND 7,051 SHARES	14,561	14,560	13,882
CLASS B COMMON STOCK ($.067 STATED VALUE) AUTHORIZED 2,500 SHARES; ISSUED 1,828, 1,555 AND 2,024 SHARES, CONVERTIBLE TO COMMON STOCK	103	104	136
ADDITIONAL PAID IN CAPITAL	5,510	5,510	5,510
RETAINED EARNINGS (DEFICIT)	(26,961)	(25,390)	(8,912)
TOTAL SHAREHOLDERS' EQUITY	(6,787)	(5,216)	10,616
	$ 63,327	$ 66,725	$ 80,937

PAUL HARRIS STORES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF INCOME
UNAUDITED
(in thousands, except per share data)

For the Quarter Ended	May 2, 1992	May 4, 1991
NET SALES	$ 29,038	$ 46,632
COST OF SALES, INCLUDING OCCUPANCY EXPENSES	19,679	32,361
GROSS INCOME	9,359	14,271
COSTS AND EXPENSES:		
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	8,576	15,068
DEPRECIATION AND AMORTIZATION	1,164	1,842
INTEREST (CONTRACTUAL INTEREST $900, $986)	123	410
	9,863	17,320
EARNINGS (LOSS) BEFORE REORGANIZATION ITEMS	(504)	(3,049)
REORGANIZATION ITEMS:		
WRITE-OFF OF FIXED ASSETS FOR CLOSED STORES	106	1,520
PROVISION FOR REJECTED EXECUTORY CONTRACTS - STORE LEASES	226	1,035
PROFESSIONAL FEES	709	328
EXPENSES RELATED TO CHAPTER 11 PROCEEDING	196	78
INTEREST EARNED ON ACCUMULATED CASH RESULTING FROM CHAPTER 11 PROCEEDING	(172)	(121)
	1,067	2,840
INCOME (LOSS) BEFORE INCOME TAXES	(1,571)	(5,889)
PROVISION (CREDIT) FOR INCOME TAXES		
NET INCOME (LOSS)	$ (1,571)	$ (5,889)
NET INCOME (LOSS) PER COMMON SHARE (A)	$ (0.17)	$ (0.65)

(A) NET INCOME (LOSS) PER SHARE IS BASED ON THE WEIGHTED AVERAGE NUMBER OF SHARES OF COMMON STOCK, CLASS B COMMON STOCK AND COMMON EQUIVALENT SHARES OUTSTANDING DURING EACH PERIOD.

PAUL HARRIS STORES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
UNAUDITED
(In thousands)

	Thirteen weeks ended May 2, 1992	May 4, 1991
CASH FLOW FROM OPERATING ACTIVITIES:		
LOSS BEFORE REORGANIZATION ITEMS	$ (504)	$ (3,049)
ADJUSTMENTS TO RECONCILE EARNINGS TO CASH PROVIDED:		
DEPRECIATION AND AMORTIZATION	1,164	1,842
(INCREASE) DECREASE IN CURRENT ASSETS:		
MERCHANDISE INVENTORIES	(1,339)	(2,951)
INCOME TAXES RECEIVABLE	9	2,378
OTHER RECEIVABLES	(58)	(635)
PREPAID EXPENSES	123	(838)
INCREASE (DECREASE) IN CURRENT LIABILITIES:		
ACCOUNTS PAYABLE	(29)	7,908
ACCRUED COMPENSATION AND EXPENSES	(1,178)	(348)
ACCRUED INTEREST		233
(INCREASE) DECREASE IN OTHER ASSETS	(8)	57
INCREASE (DECREASE) IN OTHER NON-CURRENT LIABILITIES	55	110
NET CASH FLOW FROM OPERATING ACTIVITIES BEFORE REORGANIZATION ITEMS	(1,765)	4,707
REORGANIZATION ITEMS	(1,067)	(2,840)
ADJUSTMENTS TO RECONCILE REORGANIZATION ITEMS TO CASH PROVIDED BY REORGANIZATION ITEMS:		
FIXED ASSET DISPOSAL LOSS ON STORE CLOSINGS		1,476
ACCRUED BANKRUPTCY EXPENSES	(856)	
PROVISION FOR REJECTED EXECUTORY CONTRACTS	228	1,035
NET CASH FLOW FROM REORGANIZATION ITEMS	(1,695)	(329)
NET CASH FLOW FROM OPERATING ACTIVITIES	(3,460)	4,378
CASH FLOW FROM INVESTING ACTIVITIES:		
ADDITION TO FIXED ASSETS	(55)	(442)
NET CASH FLOW FROM INVESTING ACTIVITIES	(55)	(442)
CASH FLOW FROM FINANCING ACTIVITIES:		
REPAYMENT OF LONG-TERM DEBT	(48)	(44)
NET CASH FLOW FROM FINANCING ACTIVITIES	(48)	(44)
TOTAL CASH FLOW	(3,563)	3,892
CASH AND CASH EQUIVALENTS:		
AT BEGINNING OF PERIOD	25,302	6,750
AT END OF PERIOD	21,739	10,642
	$ (3,563)	$ 3,892

PAUL HARRIS STORES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
UNAUDITED
(In thousands)

	FOR THIRTEEN WEEKS ENDED			
	May 2, 1992		May 4, 1991	
REFERENCE	SHARES	AMOUNT	SHARES	AMOUNT
PREFERRED STOCK (1,000 AUTHORIZED):				
COMMON SHARES (20,000 AUTHORIZED):				
BEGINNING BALANCE	7,520	$ 14,560	7,051	$ 13,882
CONVERSION OF CLASS B COMMON STOCK	27	1		
RECLASSIFICATION FROM NONCURRENT LIABILITIES				
ENDING BALANCE	7,547	$ 14,561	7,051	$ 13,882
CLASS B COMMON SHARES (2,500 AUTHORIZED):				
BEGINNING BALANCE	1,555	$ 104	2,024	$ 136
CONVERSION OF CLASS B COMMON STOCK	(27)	(1)		
ENDING BALANCE	1,528	$ 103	2,024	$ 136
ADDITIONAL PAID IN CAPITAL:				
BEGINNING BALANCE		5,510		$ 5,510
EMPLOYEE BENEFIT PROGRAMS				
ENDING BALANCE		$ 5,510		$ 5,510
RETAINED EARNINGS (DEFICIT):				
BEGINNING BALANCE		$ (25,390)		$ (3,023)
NET INCOME (LOSS)		(1,571)		(5,889)
ENDING BALANCE		$ (26,961)		$ (8,912)

NOTES TO FINANCIAL STATEMENTS

These financial statements should be read in conjunction with the footnotes to the 10-K for the fiscal year ended February 1, 1992

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates continuity of operations, realization of assets and liquidation of liabilities in the ordinary course of business. The appropriateness of using the going concern basis is dependent upon, among other things, confirmation of a plan of reorganization, future profitable operations, the ability to comply with debtor-in-possession financing agreements and the ability to generate sufficient cash from operations and financing sources to meet obligations.

The Company is following the AICPA's Statement of Position 90-7, Financial Reporting by Entities in Reorganization Under the Bankruptcy Code. This Statement modifies standard accounting practices, requiring disclosure of liabilities subject to compromise under a reorganization plan and segregation of items directly related to the Chapter 11 filing from operating results.

PAUL HARRIS STORES, INC.
1st QUARTER, 1992
MANAGEMENT'S DISCUSSION AND ANALYSIS

OPERATIONS

SALES

During the thirteen weeks ended May 2, 1992, net sales totaled $29.0 million, a 37.8% decline compared with the first quarter of 1991. The decline was primarily due to the closing of stores as part of the Company's restructuring. On May 2, 1992, the Company had 196 stores in operation, versus 352 stores on May 4, 1991.

Comparable store sales were 5% below the first quarter of 1991. Comparable store sales in the Fashion division were 4% behind 1991, primarily due to the reduction in price per unit as suits and separates were replaced with sportswear. This change in the mix of goods offered resulted in an 18% lower unit cost. Improved percentage margins limited the reduction in unit selling price to 12%. Comparable store unit sales increased by 8%. Comparable store sales in the $5-$10-$15-$20 Place division declined by 8%, as unit sales, percentage margins and the cost mix of goods offered each declined from 1991.

COST OF SALES, INCLUDING OCCUPANCY EXPENSES

Cost of sales, including occupancy expenses, was 67.8% of sales in the first quarter of 1992, down from 69.4% in 1991. This decrease was primarily due to the reduction in the occupancy costs to sales ratio, as relatively high occupancy cost stores were closed during the last year. The decrease also reflects improved margins in the Fashion division on Spring products in 1992 versus 1991.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses decreased from 32.3% of sales in the first quarter of last year to 29.5% in 1992. Expenses declined 43% on a sales reduction of 37%. A majority of the 2.8% SG&A to sales ratio improvement resulted from the favorable impact of closing lower sales stores on the selling and other stores costs ratio. In addition, the corporate overhead costs to sales ratio declined by one percentage point from 1991, as the Company's restructuring was implemented in the first quarter with higher employee productivity and lower discretionary spending for marketing, supplies, travel and business services.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization expense decreased 36.8% from the first quarter of 1991. Store closings are the principal reason for the decline. Depreciation as a percent to sales remained at 4.0% in 1992.

INTEREST

Due to the Chapter 11 filing, interest expense in the first quarter of 1992 is not directly comparable to interest expense in 1991. Interest expense on long-term debt was accrued through February 27, 1991, the date the Company filed for protection under Chapter 11. Since then, only interest on the Company's building mortgage has been paid. No interest has been accrued on the Company's unsecured debt. Interest earned from accumulated cash resulting from the Chapter 11 proceeding is separately reported in the reorganization section of the income statement.

INCOME TAXES

No interim income taxes were provided for in the first quarter of 1991 or 1992. The Company used all of its allowable tax loss carrybacks in 1990.

CAPITAL RESOURCES AND SPENDING

CASH

As of May 2, 1992, the Company had cash and cash equivalents of $21.7 million. At May 4, 1991, the balance was $10.6 million. During the first 13 weeks of 1992, the Company used $3.6 million of cash, while it generated $3.9 million during the same period in 1991.

MERCHANDISE INVENTORIES

Merchandise inventories at May 2, 1992, were $16.4 million, 35% lower than last year's $25.3 million. The reduction in the number of stores from 1991 to 1992 was the primary cause of this decrease. Stores open at the end of the first quarter of 1992 had cost inventories approximately equal to their level at the end of the first quarter of 1991.

WORKING CAPITAL

On May 2, 1992, working capital stood at $30.2 million, yielding a current ratio of 4.1:1. On May 4, 1991, working capital was $33.3 million and the current ratio was 5.7:1. The $13.8 million increase in cash is the main source of the 9.3% increase in working capital. This increase in cash is a result of earnings from operations and the restructuring of the business during 1991. On May 2, 1992, $15 million of the restricted cash was held in escrow for payment to creditors in settlement of pre-petition liabilities. The Company currently has access to $3 million of this escrowed cash to use as inventory financing collateral. The $8.9 million decrease in merchandise inventories, the $2.0 million increase in accounts payable, and the $1.3 million increase in accrued reorganization expense largely offset the increase in cash.

The Company funds its working capital needs primarily from internally generated cash. The Company uses a letter of credit facility and trade credit to obtain merchandise. The Company entered into a new $10 million debtor-in-possession letter of credit financing agreement through Manufacturer's Hanover to meet its projected merchandise purchasing needs through June 30, 1992.

The Company expects to reach an agreement with either Manufacturer's Hanover or INB National Bank to provide cash collateralized letter of credit financing beginning July 1, 1992 which will be adequate to meet its planned merchandise purchasing needs during fiscal 1992. If the Company's Proposed Plan of Reorganization is not confirmed during the second quarter of fiscal 1992, it intends to seek authorization to use additional escrowed cash as collateral for its peak financing needs.

Assuming the confirmation of its Proposed Plan in the second quarter of fiscal 1992, the Company believes that its current unrestricted cash balances and expected debtor-in possession financing arrangements will be adequate to provide for its inventory and other financing requirements during fiscal 1992. Timely confirmation of the Proposed Plan depends, among other things, on the Company's ability to substantially achieve its monthly sales, profit and cash projections.

The financing of inventory for the second half of the current fiscal year will also require the completion of an agreement with INB National Bank or other financial institution to provide a post-confirmation cash and inventory collateralized credit facility similar to the one currently under negotiation. The Proposed Plan will be confirmed by the Bankruptcy Court only after it has determined that the Company's short-term liquid resources are adequate. To meet its second half financing requirements, the Company will need to substantially achieve its monthly sales, profit and cash flow projections.

CAPITAL SPENDING

The Company was operating 196 stores as of May 2, 1992. Seven underperforming stores were closed during the quarter, while one $5-$10-$15-$20 Place store was opened. As of June 12, 1992, five additional $5-$10-$15-$20 Place stores have been opened. The Company's capital spending plans for the remainder of the year are modest. They include opening as many as 15 new stores, primarily in the $5-$10-$15-$20 Place division.

(b) Reports on Form 8-K

Item 6. None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Paul Harris Stores, Inc.
(Registrant)

Date: June 12, 1992

William L Lawrence Jr.
William L. Lawrence, Jr., Vice
President/Controller

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter ended March 31, 1992	Commission File Number 2-71085

Microfilmed by
Q-Data Corp. - St. Petersburg, FL

HEMOKINETICS, INC.
(Exact Name of registrant as specified in its

District of Columbia	54-1158786
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification Number)

5930 Seminole Center Court Madison, Wisconsin	53711
(Address of principal executive offices)	(Zip Code)

(608) 274-0877
(Registrant's telephone number, including area code)

(Former Address, if changed since last Report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes _____ No X

As of April 16, 1987, the number of shares outstanding of each of the registrant's classes of common stock was as follows:

Class A Common Stock	1,310,000 shares

Item 1. Financial Statements

In the opinion of management, the following financial information includes all adjustments, consisting only of normal recurring accruals, and past year end adjustments necessary to a fair statement of the results for the interim periods presented.

The balance sheet as of June 30, 1991 was prepared by the Company, and is unaudited. All other financial information presented is unaudited.

HEMOKINETICS, INC.
BALANCE SHEET

	Unaudited 03/31/92	Unaudited 06/30/91
ASSETS		
CURRENT ASSETS		
Cash	$250.00	$348.00
Accounts Receivable	$23,203.00	$19,783.00
Allow for Doubtful	-$17,500.00	-$17,500.00
Deposits	$0.00	$0.00
Inventory (Net of Warranty Reverse of $2,726 in 1985 (Note A1 and C)	$106,252.00	$122,847.00
	-----------	-----------
TOTAL CURRENT ASSETS	$112,205.00	$125,478.00
Furniture, Equipment & Leasehold Improvements at Cost (Note A4)		
Furniture & Office Equip	$3,304.00	$3,304.00
Manufacturing Equip	$30,308.00	$30,308.00
Equipment Under Cap Lease	$16,694.00	$16,694.00
Less Accumulated Depr. and Amortization	$49,773.00	$49,244.00
	-----------	-----------
	$533.00	$1,062.00
Other Assets		
Miscellaneous Deposits	$113.00	$113.00
Trademarks (Note 4A)	$678.00	$678.00
	------------	------------
TOTAL ASSETS	$113,529.00	$127,331.00
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable-Trade	$232,743.00	$172,357.00
Accounts Payable-Stckholders (Note I)	$8,445.00	$8,445.00
Accrued Expenses	$12,350.00	$12,350.00
Current Portion-Cap Lease Obligation (Note E)	$15,301.00	$15,301.00
Notes Payable-Current (Note L)	$112,250.00	$87,000.00
	------------	------------
TOTAL CURRENT LIABILITIES	$381,089.00	$295,453.00
Capital Lease Obligations, les Current Portion (Note E)	$0.00	$0.00
Notes Payable-Long Term (Note L)	$0.00	$0.00
	------------	------------
TOTAL LIABILITIES	$381,089.00	$295,453.00
STOCKHOLDERS EQUITY (Notes F,G		
Common Stock Class A $.10 Pa Value-1986 & $.01 Par Value 1985, Authorized 20,000,000 Shares, Issued & Outstandin 1,310,000 in 1986 & 6,850,000 in 1985	$131,000.00	$131,000.00
Additional Contri Capital	$2,898,594.00	$2,898,594.00
Treasury Stock	-$5,000.00	-$5,000.00
Accumulated Deficit	-$3,292,154.00	-$3,192,716.00
	------------	------------
TOTAL STOCKHOLDERS EQUITY	-$267,560.00	-$168,122.00
TOTAL LIABILITY AND STOCKHOLDERS EQUITY	$113,529.00	$127,331.00

HEMOKINETICS, INC.
STATEMENT OF OPERATIONS
(Unaudited)

	3rd Quarter Ended 03/31/92	3rd Quarter Ended 03/31/91	9 Months Ended 03/31/92	9 Months Ended 03/31/91
SALES (net of Refunds and Allowances)	$9,529.00	$8,016.00	$33,016.00	$17,066.00
COST OF GOODS SOLD	$4,097.00	$2,839.00	$17,745.00	$6,412.00
GROSS PROFIT	$5,432.00	$5,177.00	$15,271.00	$10,654.00
OPERATING EXPENSES				
General & Administration	$5,779.00	$8,810.00	$43,221.00	$19,255.00
Marketing & Sales	$0.00	$0.00	$0.00	$0.00
Research & Development	$28,365.00	$0.00	$70,009.00	$0.00
Inventory Valuation(Note A5)	$0.00	$0.00	$0.00	$0.00
Project Abandonment(Note I)	$0.00	$0.00	$0.00	$0.00
TOTAL OPERATING EXPENSES	$34,144.00	$8,810.00	$113,230.00	$19,255.00
PROFIT(LOSS)FROM OPERATIONS	($28,712.00)	($3,633.00)	($97,959.00)	($8,601.00)
INTEREST INCOME (EXPENSE)	($527.00)	($419.00)	($1,480.00)	($1,144.00)
OTHER INCOME	$0.00	$0.00	$0.00	$0.00
PROFIT(LOSS)BEFORE INCOME TXS	($29,239.00)	($4,052.00)	($99,439.00)	($9,745.00)
INCOME TAXES (NOTES A2 & K)	$0.00	$0.00	$0.00	$0.00
NET INCOME	($29,239.00)	($4,052.00)	($99,439.00)	($9,745.00)
PROFIT(LOSS)PER COMMON SHARE (NOTE J)	-0.02	-.003	-0.08	-.007

HEMOKINETICS, INC.
STATEMENT OF CHANGES IN FINANCIAL POSITION
(Unaudited)

	3rd Quarter FY 1992	3rd Quarter FY 1991	9 Months Ended 03/31/92	9 Months Ended 03/31/91
APPLICATION OF WORKING CAPITAL				
NET PROFIT(LOSS)	($29,239.00)	($4,052.00)	($99,439.00)	($9,745.00)
CHANGES TO OPERATIONS NOT USING WORKING CAPITAL				
WRITE-OFF TECH LICENSE AGREEMENT	$0.00	$0.00	$0.00	$0.00
AMORTIZATION	$0.00	$0.00	$0.00	$0.00
DEPRECIATION	$177.00	$177.00	$530.00	$530.00
WORKING CAPITAL USED BY OPERATIONS	($29,062.00)	($3,875.00)	($98,909.00)	($9,215.00)
INC IN TRADEMARK COSTS CAPITALIZE	$0.00	$0.00	$0.00	$0.00
NET ADDITIONS TO FURN & EQUIP	$0.00	$0.00	$0.00	$0.00
INCREASE IN DEPOSITS	$0.00	$0.00	$0.00	$0.00
PURCHASE OF TECH LICENSE AGREEMENT	$0.00	$0.00	$0.00	$0.00
PAYMENT OF DEFERRED FINANCING COSTS	$0.00	$0.00	$0.00	$0.00
DEC IN LONG-TERM CAPITAL LEASE	$0.00	$0.00	$0.00	$0.00
	($29,062.00)	($3,875.00)	($98,909.00)	($9,215.00)
SOURCES OF WORKING CAPITAL				
NET SALES OF FURNITURE, EQUIP AND LEASEHOLD IMPROVEMENTS	$0.00	$0.00	$0.00	$0.00
PROCEEDS FROM SALE OF COMMON STOCK	$0.00	$0.00	$0.00	$0.00
PROCEEDS FROM SALE OF WARRANTS	$0.00	$0.00	$0.00	$0.00
INCREASE IN LONG-TERM CAP LEASE	$0.00	$0.00	$0.00	$0.00
DECREASE IN DEPOSITS	$0.00	$0.00	$0.00	$0.00
	$0.00	$0.00	$0.00	$0.00
INC/(-)DEC IN WORKING CAPITAL	($29,062.00)	($3,875.00)	($98,909.00)	($9,215.00)
WORKING CAP AT BEGINNING OF PERIOD	($193,684.00)	($129,606.00)	($123,837.00)	($124,266.00)
WORKING CAPITAL OF END OF PERIOD	($222,746.00)	($133,481.00)	($222,746.00)	($133,481.00)
CHANGES IN COMPONENTS OF WORKING CAP				
INC/(-)DEC IN CURRENT ASSETS				
CASH	($1,121.00)	$302.00	($98.00)	$351.00
INVESTMENTS	$0.00	$0.00	$0.00	$0.00
ACCOUNTS RECEIVABLE	$995.00	$2,799.00	$3,420.00	$2,131.00
ADVANCES	$0.00	$0.00	$0.00	$0.00
DEPOSITS	$0.00	$6,576.00	$0.00	$6,576.00
INVENTORY	($3,671.00)	($2,649.00)	($16,595.00)	($5,800.00)
INCOME TAX REFUND DUE	$0.00	$0.00	$0.00	$0.00
	($3,797.00)	$7,028.00	($13,273.00)	$3,258.00
INC/(-)DEC IN LIABILITIES				
BANK OVERDRAFT	$0.00	$0.00	$0.00	$0.00
ACCOUNTS PAYABLE-TRADE	($15.00)	($2,403.00)	($60,386.00)	($4,037.00)
ACCOUNTS PAYABLE-STOCKHOLDERS	$0.00	$0.00	$0.00	$0.00
ACCRUED EXPENSES	$0.00	$0.00	$0.00	$0.00
CURRENT PORTION OF CAP LEASE	$0.00	$0.00	$0.00	$0.00
CURRENT NOTES PAYABLE-TRADE	($25,250.00)	($8,500.00)	($25,250.00)	($8,436.00)
ACCRUED INCOME TAXES	$0.00	$0.00	$0.00	$0.00
NOTES PAYABLE-OTHER	$0.00	$0.00	$0.00	$0.00
	($25,265.00)	($10,903.00)	($85,636.00)	($12,473.00)
	($29,062.00)	($3,875.00)	($98,909.00)	($9,215.00)

NOTES TO CONDENSED FINANCIAL STATEMENTS

(Unaudited)

Note 1. Accounting Policies and Other Data

Reference should be made to the notes to the Financial Statements included in the Company's annual report on Form 10-K for the year ending June 30, 1991, which contains the Company's accounting policies and other data.

The Company commenced operations on July 13, 1980.

Item 2. Management Discussion and Analysis of Financial Condition and Results of Operations.

Results of Operations

The Company had a loss in the third quarter of Fiscal 1992 of $ 29,239.00 as compared to a loss for the same period in Fiscal 1991 of $ 4,052.00

Sales for the third quarter were $ 9,529.00 and $ 8,016.00 for Fiscal 1992 and 1991 respectively.

The Company has no current tax liability and none is expected to accrue in the next year in light of the available investment tax credit and loss carry forwards.

Liquidity

The Company had a working capital deficit of $ 222,746.00 on March 31, 1992. The shortage of working capital continues to be a major problem. The management of the Company is continuing to work on obtaining investments for the Company, and working with other companies on the possibilities of merger or acquisition. No assurance can be given that any activity to increase working capital or to effect an acquisition or merger can be accomplished.

Capital Resources

The Company has no capital available for major expenditures, and does not anticipate any major expenditures for capital purchases in Fiscal 1992.

Item 6b Reports on Form 8-K

No reports on Form 8-Q have been filed by the registrant during this quarter.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HEMOKINETICS, INC.

DATE: May 13, 1992

William N. Reining, President
and Chief Executive Officer

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SECURITIES AND EXCHANGE COMMISSION

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Washington, D.C. 20549

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FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter Ended May 31, 1992	Commission File Number 33-9196-NY

INTERNATIONAL GAMING MANAGEMENT, INC. K92-2231

Delaware	11-2826070
State or other jurisdiction of incorporation or organization	IRS employer identification number

777 Park Place Center, 5775 Wayzata Boulevard, Minneapolis, MN 55416
Address of principal executive offices Zip Code

Registrant's telephone number including area code: (612) 542-1410

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities and Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ____

As of May 31, 1992, there were 7,793,199 shares of the Registrant's Common Stock issued and outstanding.

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INTERNATIONAL GAMING MANAGEMENT, INC.

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Part I. Financial Information

Item 1. Financial Statements (Unaudited)

- Consolidated Balance Sheets -- May 31, 1992 and August 31, 1991;
- Consolidated Statements of Operations -- Three and Nine Months ended May 31, 1992 and 1991;
- Consolidated Statements of Shareholders' Equity -- Nine Months Ended May 31, 1992;
- Consolidated Statements of Cash Flows -- Nine Months Ended May 31, 1992 and 1991;
- Notes to Consolidated Financial Statements

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Part II. Other Information

Signature

INTERNATIONAL GAMING MANAGEMENT, INC.
CONSOLIDATED BALANCE SHEETS

	(Unaudited) May 31, 1992	August 31, 1991
ASSETS		
CURRENT ASSETS		
Cash	$ 3,799	$ 1,034
Accounts receivable	83,466	20,873
Notes receivable - current balance	450,000	-
Inventory	26,000	-
Deposit	25,000	25,000
Prepaid expenses	21,338	-
Other current assets	1,430	2,485
TOTAL CURRENT ASSETS	611,033	49,392
PROPERTY AND EQUIPMENT, at cost		
Gaming equipment	1,011,666	763,401
Furniture and fixtures	33,412	35,262
	1,045,078	798,663
Accumulated depreciation	(351,641)	(226,865)
	693,437	571,798
OTHER ASSETS		
Notes receivable	460,165	23,482
Investment in unconsolidated affiliates	520,404	21,434
Piktron System, net of amortization	179,699	204,250
	1,160,268	249,166
	$2,464,738	$ 870,356
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Customer deposits	$ 186,000	$ 186,000
Bank overdraft	-	6,297
Accounts payable	613,718	223,924
Obligation to investors	50,900	50,900
Accrued expenses	163,821	149,109
Short-term debt	505,000	
Current maturities of long-term debt	703,425	540,226
TOTAL CURRENT LIABILITIES	2,222,864	1,156,456
LONG-TERM DEBT, less current maturities	-	22,167
SHAREHOLDERS' EQUITY (Deficit)		
Common stock -- $.001 par value, 20,000,000 shares authorized, 6,897,700 shares as at August 31, 1991, and 7,793,199 shares as at May 31, 1992 issued and outstanding	7,793	6,897
Additional Paid-In Capital	2,496,324	1,949,970
Accumulated Deficit	(2,262,243)	(2,265,134)
	241,874	(308,267)
	$2,464,738	$ 870,356

Note: The balance sheet at August 31, 1991 has been derived from the audited financial statements at that date.

See notes to consolidated financial statements.

INTERNATIONAL GAMING MANAGEMENT, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended		Nine Months Ended	
	May 31, 1992	May 31, 1991	May 31, 1992	May 31 1991
Gaming income	$ 579,121	$ 87,957	$1,192,162	$333,652
Sale of gaming machines	-	37,000	177,602	117,000
Total Revenue	579,121	124,757	1,369,764	450,652
Operating costs and expenses				
Cost of machines sold	-	60,840	214,644	89,840
Selling, general and administrative	749,911	156,464	1,476,541	719,608
(Loss) from operations	(170,790)	(92,547)	(321,421)	(358,796)
Other income (expense)				
Interest expense	(11,619)	(6,364)	(24,779)	(41,054)
Other income	12,051	-	93,650	56,113
Gain on sub-license agreement	-	-	-	262,403
Gain on sale of unconsolidated affiliate - stock net	-	-	444,443	-
(Loss) from unconsolidated affiliate	(94,330)	-	(189,002)	-
NET INCOME (LOSS)	$ (264,688)	$ (98,911)	$ 2,891	$ (81,334)
NET INCOME (LOSS) PER SHARE	$ (.04)	$ (.02)	$ .00	$ (.01)
AVERAGE SHARES OUTSTANDING	7,182,980	6,809,100	8,292,522	6,809,100

See notes to consolidated financial statements.

INTERNATIONAL GAMING MANAGEMENT, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (DEFICIT)
NINE MONTHS ENDED MAY 31, 1992
(UNAUDITED)

	Common Stock		Additional		
	Number of Shares	Amount	Paid-In Capital	Accumulated Deficit	Total
Balance, August 31, 1991	6,897,700	$ 6,897	$1,949,970	$(2,265,134)	$(308,267)
Net income for the nine month period ended May 31, 1992				2,891	2,891
Stock issued as compensation	500	1	749	-	750
Compensation related to stock options	-	-	22,500	-	22,500
Exercise of stock options	50,000	50	24,950	-	25,000
Sale of Common Stock	844,999	845	498,155	-	499,000
	7,793,199	$ 7,793	$2,496,324	$ 2,262,243	$ 241,874

INTERNATIONAL GAMING MANAGEMENT, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

	Nine Month Periods Ended May 31, 1992	Nine Month Periods Ended May 31, 1991
OPERATING ACTIVITIES		
Net income (loss)	$ 2,891	$ (81,339)
Adjustments to reconcile net income (loss) to cash provided (used) by operating activities:		
Depreciation and amortization	180,806	127,529
Gain on sale of machines		(27,160)
Gain on execution of sub-license agreement		(262,403)
Loss on disposal of fixed assets	37,062	764
Loss from unconsolidated affiliates	189,056	-
Gain on negotiation of notes payable	(62,038)	-
Compensation related to stock options	22,500	-
Compensation expense related to stock issuance	750	-
Change in operating assets and liabilities:		
Decrease (increase) in:		
Accounts receivable	(62,593)	(12,472)
Advances to unconsolidated affiliate	(910,165)	-
Inventory	(26,000)	-
Prepaid expenses	(21,338)	-
Other current assets	1,055	(826)
Increase (decrease) in:		
Bank overdraft	(6,297)	(28,444)
Accounts payable	552,993	161,000
Accrued liabilities	14,713	84,531
Customer deposits	-	6,832
NET CASH FROM (FOR) OPERATING ACTIVITIES	(86,605)	(31,988)
INVESTING ACTIVITIES		
Proceeds from machine sales	-	117,000
Purchase of equipment	(250,187)	(76,240)
Investment unconsolidated affiliates	(689,443)	-
NET CASH FROM (FOR) INVESTING ACTIVITIES	(939,630)	40,760
FINANCING ACTIVITIES		
Proceeds from sale of stock	499,000	6,000
Proceeds from exercise of stock options	25,000	-
Proceeds from issuance of debt	505,000	42,960
Repayment of debt	-	(50,371)
Repayment of obligation to investors	-	(11,000)
NET CASH FROM (FOR) FINANCING ACTIVITIES	1,029,000	(12,411)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,765	(3,639)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,034	221
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 3,799	$ (3,418)

See notes to consolidated financial statements.

INTERNATIONAL GAMING MANAGEMENT, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)
FOR THE NINE MONTH PERIODS ENDING
MAY 31, 1992 AND MAY 31, 1991

During 1992, the company returned gaming devices to a vendor, thereby reducing current maturities of long-term debt by $177,602. The company reported a loss of $37,042 in this transaction.

The company negotiated a reduction in note and accounts payable in the amount of $62,038. The company reported a gain of this amount for the nine month period ending May 31, 1992.

The Company reported $22,500 in compensation expense for the nine month period ended May 31, 1992 related to the granting of stock options to the directors of the Company.

During 1991, the company reported a gain in the amount of $262,403 as part of a sub-license agreement. This consisted of accounts payable assumed in the amount of $288,815 and gain on sale of logo in the amount of $26,412.

During 1991, the company reduced debt through the issuance of common stock in the amount of $56,009.

INTERNATIONAL GAMING MANAGEMENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Note 1 -- Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and nine month periods ended May 31, 1992 are not necessarily indicative of the results that may be expected for the year ended August 31, 1992. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's annual report on Form 10K for the year ended August 31, 1991.

Per Share Data

The net loss per share was compiled on the basis of the weighted average number of shares outstanding. As of May 31, 1992 the weighted average number of shares outstanding was 7,182,980. The exercise of stock options and warrants was not considered in the computation of earnings per share for the three months ended May 31, 1992 because their inclusion would be anti-dilutive and decrease the loss per share amounts reported.

The net income per share for the nine month period ending May 31, 1992 includes the exercise of stock options and warrants for total average shares outstanding of 8,292,522.

Note 2 -- Louisiana Gaming Management, Inc.

In September of 1991, the State of Louisiana legalized the operation of video gaming devices in night clubs, truck stops, race tracks, and off-track betting facilities. Management is anticipating the State of Louisiana will permit play to begin on the aforementioned video games in July of 1992. In August of 1991, Louisiana Gaming Management, Inc. ("LGM") was formed to lease video poker devices to night club owners, truck stop owners, race track owners, and the owners of off-track betting facilities. International Gaming Management, Inc. owns forty-seven and three-quarters percent (47.75%) of LGM. According to the management of LGM, LGM has the following contracts, letters of intent, proposals, and verbal commitments:

		GAMES
Night Club/Bar Contracts	370	1,100
Truckstop Contracts	6	300
Letters of Intent	150	450
Verbal Commitments	800	2,400
Proposals - Truckstops	4	200

Results of Operations

Revenues increased by 658% to $579,121 in the third quarter of 1992 compared with the $87,957 recorded for the comparable period in 1991. The company earned all of its gaming revenue from Indian Reservation Casinos located in Wisconsin, Washington, and Michigan.

General and administrative expenses in the third quarter of 1992 increased by $593,447 or 479% compared to the comparable period in 1991.

Liquidity, Capital Resources, and Outlook

The Company's prospects are in part contingent upon the success of LGM. LGM has entered into an agreement with Bally Gaming, Inc. ("Bally"), which provides Bally will finance one hundred percent (100%) of the cost of up to three thousand (3,000) video lottery terminals over a thirty-six (36) month period. LGM has begun taking delivery on the Bally video lottery terminals. LGM is presently negotiating with another gaming equipment manufacturer to purchase two thousand (2,000) gaming devices to be seller financed on a basis similar to that negotiated with Bally.

On July 2, 1992 IGM completed the first phase of its private placement offering in the amount of $3,500,000. It is anticipated the remaining $2,500,000 private placement will be completed by July 31, 1992.

IGM presently leases gaming devices to Indian Casinos, and anticipates seasonally adjusted gross revenue of approximately $150,000 per month from the operation of said gaming devices.

IGM continues to monitor the player active lottery market for the placement of its Piktron gaming device.

PART II -- OTHER INFORMATION

Item 1. Legal Proceedings:

1. The Company has settled the Siegel, Brill, Greupner & Duffy, P.A. lawsuit by agreeing to pay Siegel, Brill, Greupner, Duffy, P.A. $6,600.00 in six (6) equal monthly installments of approximately $1,150.00 each, which commenced on April 15, 1992.
2. The Company has settled the Seminole Tribe of Indians of Tampa, Florida ("Seminole Tribe") lawsuit by delivering five (5) of its Piktron Lottery Systems ("PLS") to the Seminole Tribe's casino. In the event the Seminole Tribe is required to remove the aforementioned PLS from its casino within thirty (30) days after the date the PLS were delivered (June 12, 1992) and upon return of the PLS to the Company, the Company will pay $60,000 to the Seminole Tribe; in the event the Seminole Tribe is required to remove said PLS after thirty (30) days, but prior to sixty (60) days from the date of delivery, and upon return of the PLS to the Company, the Company will pay $49,500 to the Seminole Tribe, in the event said PLS are required to be removed after sixty (60) days, but prior to ninety (90) days from the date of delivery, and upon return of the PLS to the Company, the Company will pay $33,000 to the Seminole Tribe, thereafter, the Company shall have no obligation to refund any monies to the Seminole Tribe.
3. The Company was served with a Summons and Complaint by the Miccosukee Tribe of Indians of Florida alleging a downpayment of $120,000 was not returned upon the Tribe's cancellation of a contract to purchase gaming devices. The Company is hopeful it can resolve this matter by delivering ten (10) of its PLS to the Tribe in exchange for a Stipulation of Dismissal of the lawsuit.
4. The Company has asserted a claim for infringement of the Company's trade name and service mark against Indian Gaming Management, Inc. Negotiations are continuing to resolve this claim.
5. The Company is contemplating a claim for infringement of trade secrets and proprietary information against Indian Gaming Management, Inc. No complaint has yet been served or filed in this matter.
6. On April 15, 1992, the Company settled the Lois, Pitts Gershan Pon/GGHK, Inc. ("Lois/GGK") lawsuit by agreeing to pay Lois/GGK twenty-two thousand dollars ($22,000,00) payable in twelve (12) consecutive equal monthly installments of $1,934.15 each, which commenced on April 15, 1992.

The Company is continuing to negotiate with Michael Warren and King David. Inc. regarding their Crossclaim. The Company believes the Michael Warren and King David, Inc. Crossclaim is without merit, and is hopeful it will be resolved without cost to the Company, or on the basis of a nuisance settlement.

Item 2. Changes in Securities:

None

Item 3. Defaults Upon Senior Securities:

None

Item 4. Submission of Matters to a Vote of Security Holders:

None

Item 5. Other Information:

None

Item 6. Exhibits and Reports on Form 8-K:

a. Exhibits: none
b. Reports on Form 8-K: none

INTERNATIONAL GAMING MANAGEMENT, INC.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

INTERNATIONAL GAMING MANAGEMENT, INC.
(Registrant)

Dated: July 13, 1992

DOUGLAS M. POLINSKY
Chairman of The Board

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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

QUARTERLY REPORT UNDER SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

L92-2231

For the quarter ended
February 29, 1992

Commission file number 33-43414-A

JANSKO, INC. /FL
(Exact name of registrant as specified in its charter)

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Florida
(State or other jurisdiction of incorporation or organizat

65-0185545
(I.R.S. Employer fication No.)

Microfilmed by
Q-Data Corp. - St. Petersburg, FL

1800 S. W. 34th Street, Fort Lauderdale, Florida
(Address of principal executive offices)

33315
(Zip Code)

Registrant's telephone number: (305) 359-0159

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ____.

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at April 3, 1992
Common stock, $.01 par value	5,225,000

[illegible]

JANSKO, INC.

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Page No.

Part I Financial Information

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Condensed statement of operations - three months and nine months ended February 29, 1992 and February 28, 1991 4

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PART I - FINANCIAL INFORMATION

JANSKO, INC.

CONDENSED BALANCE SHEET

ASSETS

	February 29 1992 (unaudited)	May 31, 1991 *
Current assets:		
Cash	$ 680,000	$ 5,000
Accounts receivable	1,935,000	1,186,000
Inventories	4,958,000	3,319,000
Prepaid expenses	108,000	121,000
Total current assets	7,681,000	4,631,000
Property, plant and equipment	1,460,000	1,285,000
Less accumulated depreciation and amortization	265,000	92,000
	1,195,000	1,193,000
Other assets	179,000	200,000
	$ 9,055,000	$ 6,024,000

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:		
Accounts payable and accrued expenses	$ 1,575,000	$ 1,787,000
Borrowings under demand line of credit	-	1,237,000
Short-term notes payable	309,000	511,000
Current portion of long-term debt	71,000	343,000
Total current liabilities	1,955,000	3,878,000
Long-term debt, less current maturities	762,000	1,684,000
Commitments		
Stockholders' equity		
Common stock	52,000	25,000
Additional paid-in capital	6,588,000	1,319,000
Accumulated deficit	(302,000)	(882,000)
Total stockholders' equity	6,338,000	462,000
	$ 9,055,000	$ 6,024,000

* Condensed from audited financial statements.

The accompanying notes are an integral part of these condensed financial statements.

JANSKO, INC.

CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(Unaudited)

	Nine Months Ended		Three Months Ended	
	February 29, 1992	February 28, 1991	February 29, 1992	February 28, 1991
Sales	$10,567,000	$ 5,406,000	$ 3,756,000	$ 1,883,000
Cost of sales	8,473,000	4,884,000	2,999,000	1,818,000
Gross profit	2,094,000	522,000	757,000	65,000
Selling, general and administrative expenses	1,291,000	881,000	445,000	226,000
Operating income (loss)	803,000	(359,000)	312,000	(161,000)
Interest expense, net	223,000	232,000	29,000	83,000
Income (loss) before provision for income taxes and extraordinary item	580,000	(591,000)	283,000	(244,000)
Provision for income taxes	(220,000)	-	(101,000)	-
Income (loss) before extraordinary item	360,000	(591,000)	182,000	(244,000)
Extraordinary item - tax benefit of net operating loss carryforward	220,000	-	101,000	-
Net income (loss)	$ 580,000	$ (591,000)	$ 283,000	$ (244,000)
Weighted average number of shares outstanding	4,024,000	2,864,000	5,129,000	2,864,000
Net income (loss) per share:				
Before extraordinary item	$ .09	$ (.21)	$ .04	$ (.09)
Extraordinary item	.05	-	.02	-
Net income (loss)	$ .14	$ (.21)	$ .06	$ (.09)

The accompanying notes are an integral part of the condensed financial statements.

JANSKO, INC.

CONDENSED STATEMENT OF CASH FLOWS
(Unaudited)

	Nine Months Ended	
	February 29, 1992	February 28, 1991
Cash provided by (used for)		
Operations:		
Net income (loss)	$ 580,000	$ (591,000)
Adjustments for non cash charges	191,000	84,000
Changes in assets and liabilities	(2,583,000)	(1,327,000)
Net cash used for by operations	(1,812,000)	(1,834,000)
Investments:		
Capital expenditures	(16,000)	(91,000)
Acquisition of assets	-	(2,643,000)
Cash used for investments	(16,000)	(2,734,000)
Financing:		
Additional short and long-term debt	341,000	2,813,000
Repayment of long and short term debt	(1,817,000)	(343,000)
Net borrowings (repayment) under line of credit	(1,237,000)	760,000
Sales of stock and public offering	5,216,000	1,344,000
Cash provided by financing	2,503,000	4,574,000
Net increase in cash	675,000	6,000
Cash, beginning of period	5,000	-
Cash, end of period	$ 680,000	$ 6,000
Cash payments for:		
Interest	$ 238,000	$ 236,000
Supplemental schedule of non-cash investing and financing information:		
Notes issued for purchase of assets	$ 160,000	$ 20,000
In connection with the acquisition of assets:		
Cost of assets		$ 2,993,000
Cash payments		(2,643,000)
Note payable to sellers		$ 350,000
Subsequent reduction of note		$ 152,000

The accompanying notes are an integral part of these condensed financial statements.

NOTES TO CONDENSED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1: BASIS OF PRESENTATION

The financial information included herein is unaudited; however, such information reflects all adjustments (consisting solely of normal recurring adjustments) which are, in the opinion of management, necessary for a fair statement of results for the interim periods. All amounts have been rounded to the nearest thousand. This report should be read in conjunction with the prospectus of the Company dated December 6, 1991.

The results of operations for the three and nine month periods ended February 29, 1992 are not necessarily indicative of the results to be expected for the full year.

NOTE 2: INVENTORIES

Inventories at February 29, 1992 have been computed using historical gross profit percentages adjusted for known changes in selling and buying costs. The composition of inventories at February 29, 1992 and May 31, 1991 is as follows:

	February 29, 1992	May 31, 1991
Raw materials	$ 2,578,000	$ 1,726,000
Work-in-process	1,636,000	1,095,000
Finished goods	744,000	498,000
	$ 4,958,000	$ 3,319,000

NOTE 3: PROVISION FOR INCOME TAXES

The components of the provision of income taxes are as follows:

	Nine Months Ended		Three Months Ended	
	February 29, 1992	February 28, 1991	February 29, 1992	February 28, 1991
Federal	$ 185,000	$ -	$ 85,000	$ -
State	35,000	-	16,000	-
	$ 220,000	$ -	$ 101,000	$ -

NOTES TO CONDENSED FINANCIAL STATEMENTS
(Unaudited)

NOTE 4: PUBLIC OFFERING

On December 13, 1991, the Company completed an initial public offering of 1,750,000 shares of common stock at a price of $3.00 per share. Net proceeds from the offering amounted to approximately $4,420,000 (net of underwriting discounts of $525,000 and other expenses of approximately $305,000).

In connection with the offering, the Company agreed to sell to the underwriter warrants to purchase 175,000 shares of common stock of $3.60 per share. The warrants will be exercisable during the four year period commencing one year from the date of the offering.

As of February 29, 1992, the Company has utilized approximately $3,988,000 of the proceeds to repay $2,724,000 of its outstanding debt and approximately $1,264,000 towards working capital and import letters of credit.

JANSKO, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Nine months 1992 vs. 1991

Net sales for the nine months ended February 29, 1992 ("Fiscal 1992") increased to $10,567,000 from sales during the nine months ended February 28, 1991 ("Fiscal 1991") of $5,406,000, an increase of $5,161,000 or 95%. Gross profit as a percentage of net sales increased to 19.8% in the Fiscal 1992 period as compared to 10% for the same period in Fiscal 1991. This was due to the Company obtaining better prices for its product and its ability to modify its product mix to include an increased percentage of higher gross profit products. Selling, general and administrative ("SG&A") expenses as a percentage of net sales decreased to 12.2% ($1,291,000) in the current period from 16.3% ($881,000) in the earlier period. This was the result of the increase in net sales volume without a corresponding material increase in SG&A expenses. The $410,000 increase in SG&A expenses is a result of the overall increase in fixed costs resulting from the growth the Company has experienced.

The above factors contributed to the Company achieving income from operations of $803,000 compared with an operating loss for the same period last year of $359,000, a turn around of $1,162,000. Interest expense during the Fiscal 1992 period decreased $9,000, to $223,000, primarily as a result of the repayment of the debt obligations during the third quarter as a result of the proceeds from the public offering. The provision for income taxes for Fiscal 1992 was offset by the tax benefit from the utilization of the Company's net operating loss carryforward.

The above factors resulted in net income of $580,000, or $.14 per share, for the Fiscal 1992 period as compared to a net loss of $591,000 or $.21 per share, for the Fiscal 1991 period, a turn around of $1,171,000, or $.35 per share (including the utilization of the tax benefit from the net operating loss carryforward).

Liquidity and Capital Resources

The total assets of the Company have increased by approximately $3,031,000 since the end of its recent fiscal year. This increase results from an increase in cash and the increased levels of inventory the Company has acquired in order to provide for its growth in sales volume. Accounts receivable have also increased as a result of this sales growth. The Company has funded this increase through its initial public offering which was completed in December 1991.

JANSKO, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(Continued)

The Company has working capital of $5,726,000 at the end of the nine months ended February 29, 1992 compared to $753,000 at the end of its recent fiscal year. The current ratio at February 29, 1992 is 3.93 compared to 1.19 at May 31, 1991.

The Company anticipates that it has adequate capital resources as a result of the recently completed public offering along with cash flow generated from operations, and existing credit facilities, to meet the Company's working capital requirements at the present time. Additionally, as a result of the Company repaying a large percentage of its bank loans subsequent to the public offering and from the increased equity resulting from the offering, management believes the Company should be able, if necessary, to increase its level of bank borrowings.

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(b) No reports on Form 8-K have been filed during the quarter ended February 29, 1992.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: April 6, 1992

Henry Gayer
President

Date: April 6, 1992

Barry A. Fink
Chief Financial Officer

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

FORM 10-Q. - QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

MG2-2231

[X] Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the period ended March 31, 1992.

[ ] Transaction Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transaction period from ______________ to ____________.

Commission File Number: 33-28666

Merchant Bank Corporation
(Exact name of registrant as specified in its charter)

Georgia	58-1849356
(State or other jurisdiction incorporation or organization)	(I.R.S. Employer Identification No.)

Two Midtown Plaza, 1360 Peachtree Street, Atlanta, Georgia 30309
(Address of principal executive offices)

(404) 874-4000
(Registrant's telephone number, including area code)

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____
(Former name, former address and former fiscal year if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed ny Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. X Yes __No

As of May 1, 1992, the registrant has 2,081,945 shares of its $1.00 par value common stock issued and outstanding.

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MERCHANT BANK CORPORATION
CONSOLIDATED BALANCE SHEETS
MARCH 31, 1992 AND DECEMBER 31, 1991

ASSETS

	March 31, 1992	December 31, 1991
Cash and due from banks	$ 3,346,395	$ 2,852,619
Interest bearing deposits	3,815,352	3,814,025
Investment securities (approximate market value of $78,265,000 and $62,842,000, respectively)	77,699,548	60,771,477
Federal funds sold and securities purchased under resale agreements	1,860,000	5,890,000
Loans, less allowance for loan losses of $799,008 and $742,748, respectively	67,820,578	67,686,831
Bank premises and equipment, net	3,780,575	3,819,653
Other assets	2,448,473	2,180,446
Total assets	$ 160,770,921	$ 147,015,051

LIABILITIES AND SHAREHOLDERS' EQUITY

Deposits:		
Non-interest bearing demand	$ 7,004,157	$ 6,298,344
Interest bearing:		
Money market accounts	25,845,959	26,439,340
NOW and savings accounts	53,584,678	26,947,823
Certificates of deposit over $100,000	6,692,951	8,336,351
Other certificates of deposit	55,773,273	67,617,257
	148,901,018	135,639,115
Accrued expenses and other liabilities	1,484,251	1,050,225
Total liabilities	150,385,269	136,689,340
Shareholders' equity:		
Preferred stock, no par value; 5,000,000 shares authorized; no shares issued		
Common stock, $1 par value; 5,000,000 shares authorized; 2,081,945 shares issued and outstanding	2,081,945	2,081,945
Capital surplus	7,761,530	7,761,530
Retained earnings	542,177	482,236
Total shareholders' equity	10,385,652	10,325,711
Total liabies and shareholders' equity	$ 160,770,921	$ 147,015,051

MERCHANT BANK CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
THREE MONTHS ENDED MARCH 31, 1992 AND 1991

	1992	1991
Interest and fee income:		
Loans	$ 1,709,353	$ 1,734,120
Investment securities	1,239,279	1,301,045
Federal funds sold	46,846	120,944
Interest bearing deposits	77,311	250,159
Total interest and fee income	3,072,789	3,406,268
Interest expense:		
Interest on deposits:		
Money market accounts	260,822	391,530
NOW and savings accounts	507,835	251,197
Certificates of deposit	1,101,530	1,658,950
Total interest expense	1,870,187	2,301,677
Net interest income	1,202,602	1,104,591
Provision for loan losses	39,400	110,000
Net interest income after provision for loan losses	1,163,202	994,591
Other income:		
Service charges	180,792	177,969
Loan sale premiums	--	2,804
Other	24,890	4,448
	205,682	185,221
Other expenses:		
Salaries and employee benefits	648,174	644,995
Occupancy	268,744	290,858
Professional services	98,776	56,825
Business development	23,931	37,314
Other	229,138	199,367
	1,268,763	1,229,359
Income (loss) before provision for income taxes	100,121	(49,547)
Income tax expense (credit)	40,180	(1,458)
Net income (loss)	$ 59,941	$ (48,089)
Per share data:		
Net income (loss)	$ .03	$ (.02)
Weighted average common shares and equivalents outstanding	2,081,945	2,081,945

MERCHANT BANK CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 1992 AND 1991

	1992	1991
Cash from operating activities:		
Net income (loss)	$ 59,941	$ (48,089)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Provision for loan losses	39,400	110,000
Provision for depreciation and amortization	107,724	77,505
Accretion of loan and investment security discounts	(145,990)	(172,701)
Amortization of investment security premiums	46,892	5,109
Loan sale premiums	--	(2,800)
Change in assets and liabilities:		
Increase in other assets	(291,879)	(285,209)
Increase in other liabilities	434,028	542,635
Net cash provided by operating activities	250,116	226,450
Cash from investing activities:		
Proceeds from maturities of investment securities	2,882,856	1,272,983
Purchases of investment securities	(19,706,549)	(20,102,187)
Net decrease in interest bearing deposits	1,162	2,007,305
Net increase in loans	(29,094)	(2,059,657)
Purchases of bank premises and equipment	(44,793)	(1,810,687)
Net cash used by investing activities	(16,896,418)	(20,692,243)
Cash from financing activities:		
Net decrease in certificates of deposit	(13,487,384)	(1,134,100)
Net decrease in other deposit accounts	26,749,285	(5,318,153)
Net cash provided (used) by financing activities	13,261,901	(6,452,253)
Decrease in cash and cash equivalents	(3,384,401)	(26,918,046)
Cash and cash equivalents at beginning of period	9,403,904	33,926,041
Cash and cash equivalents at end of period	$ 6,019,503	$ 7,007,995

The unaudited interim financial statements at March 31, 1992 and 1991 and for the three month periods then ended have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission for the interim financial reporting. Certain information and notes disclosure normally included in annual financial statements prepared in accordance with generally accepted accounting principles have been omitted pursuant to these rules and regulations. These financial statements should be read in conjunction with the annual financial statements at December 31, 1991, 1990 and 1989.

In the opinion of management, all adjustments (consisting of only normal recurring accruals) necessary to fairly present the financial position at March 31, 1992 and 1991 and results of operations for the three month period then ended have been included.

MERCHANT BANK CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION
THREE MONTHS ENDED MARCH 31, 1992 AND 1991

OPERATING RESULTS

Net income for the three months ended March 31, 1992, was $59,941, or $.03 per share. For the three months ended March 31, 1991 the net loss was $48,089, or $.02 per share.

Total assets increased 9.4% from $147.8 million at December 31, 1991 to $160.8 million at March 31, 1992. Substantially all of this increase is attributable to increases in deposit accounts, especially NOW and Savings accounts. During late 1991 and early 1992 most banks in the Company's market area decreased the interest rates paid on almost all types of accounts due to decreases in the overall level of market interest rates. The Company did not initially match these rate decreases in efforts to obtain non-certificate of deposit accounts. This marketing program has proved to be successful. The Company and its branch locations are heavily cross-selling additional banking services to these customers. While the higher rates paid on theses deposits does not substantially increase the Company's overall profitability, the Company intends to maintain these accounts at or below current interest rates. Should interest rates subsequently rise, the Company's net interest income will increase.

Return on average assets was .04% and (.13%) for the three months ended March 31, 1992 and 1991, respectively. Return on average equity for the periods was .58% and (1.90%), respectively.

NET INTEREST INCOME

Net interest income for the three months ended March 31, 1992 was $1,202,602, an increase of 9% from net interest income of $1,104,591 for the comparable 1991 period. As mentioned above, the Company's NOW and Savings deposits increased substantially during the first quarter of 1992. Although the spread earned on these deposits is less than what might normally be expected, the Company's net interest margin increased from 3.29% for the three months ended March 31, 1991 to 3.45% for the three months ended March 31, 1992. Factors contributing to this overall increase in the net interest margin are a shift in a portion of the Company's deposit base from Certificates of Deposit, which typically carry the Company's highest rate of interest, to NOW and Savings accounts. In addition, the Company acted quickly to invest the net deposit inflow in new loans whenever possible and to its investment security portfolio to obtain the highest returns possible within the constraints of prudent interest rate risk management and the Company's Credit and Investment policies.

LIQUIDITY & ASSET/LIABILITY MANAGEMENT

As discussed in the Company's December 31, 1991 Form 10-K, the Company had a negative cumulative one year interest rate gap of $32.6 million at December 31, 1991. Through the inflow of primarily non-interest sensitive deposits, increases in the investment security portfolio, and originations of primarily floating rate loans during the first quarter of 1992, the Bank has eliminated this negative interest rate gap. At March 31, 1992 the Company had a positive interest rate gap that was less than 10% of total earning assets, well within the Company's Asset/Liability policy guidelines. Now that the Company's interest rate gap has been brought to within policy guidelines it is incumbent upon management to closely monitor it's loan, investment and deposit holdings throughout the remainder of the year to ensure that this interest rate gap remains within policy guidelines.

Subsequent to March 31, 1992 the Company's wholly-owned subsidiary, The Merchant Bank of Atlanta (the "Bank") purchased approximately $2.6 million in mortgage loans that had previously been serviced by the Bank. In addition, customer deposits decreased by approximately $4 million, primarily from annual tax payments. Because of these factors it was necessary for the Bank to sell approximately $7.4 million in investment securities during May 1992. The gross realized gain on these sales was approximately $200,000.

It is the Company's ability and intent to hold it's investment securities to maturity. The decision to sell securities is based on management's assessment of changes in economic or financial market conditions, interest rate risk, and the Company's financial position and liquidity. If these factors can be reasonably predicted and sales of investment portfolio securities appear to be likely, management will reclassify certain investment securities into a "held for sale" portfolio that will be accounted for at the lower of amortized cost or market value. No such reclassification was necessary as of March 31, 1992. The effect of any future reclassification of securities on the Company's current and future earnings, liquidity and capital resources cannot be practically determined at this time.

During May 1992 one of the Bank's correspondent banks was acquired by another financial institution and canceled the Bank's $2 million Fed funds borrowing line. As a result of this action the Bank applied for and received a short term line of credit totaling approximately $10 million from The Federal Home Loan Bank of Atlanta. This short term line of credit is secured by a blanket lien on the Bank's portfolio of qualifying residential mortgage Loans. No amounts were outstanding under any of these lines as of March 31, 1992 and the lines of credit were not utilized during the three months ended March 31, 1992.

The Bank held no tax free investment securities at March 31, 1992. At March 31, 1992, gross unrealized gains on the Company's investment securities totaled approximately $900,000 and gross unrealized losses totaled approximately $340,000.

ASSET QUALITY

The allowance for loan losses as a percent of total loans, and other real estate owned was 1.16% and 1.08% at March 31, 1992 and December 31, 1991, respectively. At March 31, 1992 total non-accrual loans were approximately $793,000. Loans past due 90 days or more but still accruing totaled $103,000 at March 31, 1992. Foreclosed real estate totaled approximately $120,000. These amounts are marginally higher than the comparable December 31, 1991 levels. Management believes that adequate reserves have been established to cover potential losses on these loans.

CAPITAL

Total equity to total assets was 6.46 % at March 31, 1992. The Company's Tier 1 capital (as defined by Bank Regulatory authorities) was 8.82% of risk-adjusted assets at March 31, 1992. Tier 1 and Tier 2 capital was 9.22% of risk-adjusted assets as of the same date. These ratios exceed current regulatory guidelines.

PART II - OTHER INFORMATION

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

EXHIBIT 11 - STATEMENT RE CORPORATION OF PER SHARE EARNINGS

Net income (loss) per share is based on the weighted average number of shares outstanding during each period, including consideration of common stock equivalents consisting of shares subject to stock options and warrants.

Registrant did not file a report on Form 8-K during the quarter for which this report is filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Merchant Bank Corporation
MERCHANT BANK CORPORATION

Date May 15, 1992
Ronald B. Freeman
RONALD B. FREEMAN, EXECUTIVE VICE PRESIDENT

Date May 15, 1992
R. Elliott Miller
R. ELLIOTT MILLER, CHAIRMAN

PART II - OTHER INFORMATION

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

EXHIBIT 11 - STATEMENT RE CORPORATION OF PER SHARE EARNINGS

Net income (loss) per share is based on the weighted average number of shares outstanding during each period, including consideration of common stock equivalents consisting of shares subject to stock options and warrants.

Registrant did not file a report on Form 8-K during the quarter for which this report is filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MERCHANT BANK CORPORATION

Date May 15, 1992 Ronald B Freeman

RONALD B. FREEMAN, EXECUTIVE VICE PRESIDENT

Date May 15, 1992

R. ELLIOTT MILLER, CHAIRMAN

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FORM 10-Q

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N92-22318

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

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For the Quarter ended
November 30, 1991

Commission file number 1-2134

METROPOLITAN MINES CORPORATION, LIMITED
Exact name of registrant as specified in its charter

IDAHO
State of other jurisdiction of incorporation or organization

82-6008717
I.R.S. Employer Identification Number

P.O. Box 469, Wallace, Idaho 83873
(Address of principal executive office)

(208) 752-1131
(Registrant's telephone number, including area code)

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Q-Data Corp. - St. Petersburg, FL

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X . No_____.

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at November 30, 1991
Common Stock	
Class A, $.10 par value	4,634,230 shares
Class B, $.10 par value	21,555 shares

Form 10-Q

METROPOLITAN MINES CORPORATION, LIMITED

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Part I. Financial Information:

Exemption from filing Part I is claimed under Rule 13a-13 of the Securities Exchange Act of 1934, as amended.

Part II. Other Information and Signatures:

Item 1. Legal proceedings 1

Item 6. Exhibits and Reports on Form 8-K 1

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations 1

Signature page 2

Exhibit Index 3

Form 10-Q - Part II

METROPOLITAN MINES CORPORATION, LIMITED

OTHER INFORMATION

Item 1. Pending Legal Proceedings.

Sunshine Mining Company vs. Metropolitan

During February, 1990, legal proceedings between Sunshine Mining Company, Hecla Mining Company, and Metropolitan, as set forth in previous annual reports, Forms 10-K, were disposed of through stipulation. In the matter of Sunshine Mining Company v. Metropolitan, Metropolitan's counterclaim against Sunshine was dismissed with prejudice, with each party bearing it's attorney fees and costs. In the matter of Metropolitan v. Sunshine and Hecla and Hecla v. Metropolitan, a deed and assignments from Sunshine to Hecla, dated June 26, 1984, were deemed valid, each party dismissing with prejudice it's respective complaint, answer and counterclaim, each party to bear it's own attorney fees.

Item 6. Exhibits and Reports on Form 8-K

(a) No additional exhibits are being filed as a part of this report. The Registrant's exhibit index appears at Page 3 of this report.

(b) The Registrant did not filed any reports on Form 8-K during the quarter for which this report is filed.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation

As reported in the Company's Form 10K, Annual Report, for the year ended May 31, 1991, the Company incurred net losses of $83,645, $130,837, and $87,012 during the years ended May 31, 1991, 1990, and 1989, respectively, and on these dates, the Company's current liabilities exceeded its current assets by $414,561, $330,916, and $317,881, respectively. In the opinion of the Company's external auditors, these factors raise substantial doubt about the Company's ability to continue as a going concern.

Form 10-Q - Part II

METROPOLITAN MINES CORPORATION, LIMITED

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

METROPOLITAN MINES CORPORATION, LIMITED

By

R. M. MacPhee, Secretary-Treasurer
Principal Financial Officer
and duly authorized Officer

Date 3 · 9 · 92

Form 10-Q - Part II

METROPOLITAN MINES CORPORATION, LIMITED

EXHIBIT INDEX

Exhibits

3.2 Articles of Incorporation of Metropolitan Mines Corporation, Limited, as amended as of November 16, 1981. Previously filed as Exhibit 3.2 to Form 10-K for the year ended May 31, 1984 and incorporated by reference herein.

3.4 Bylaws of Metropolitan Mines Corporation, Limited, as amended as of May 31, 1985.

10.0 Copy of Agreement dated August 17, 1945 between Metropolitan Mines Corporation, Limited and Sunshine Mining Company. Previously filed as Exhibit 10.0 to Form 10-K for year ended May 31, 1984 and incorporated by reference herein.

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

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Q92-2231

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 1992

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ______________ to ______________

Commission file number 0-7515

MICHIGAN FINANCIAL CORPORATION
(Exact name of registrant as specified in its charter)

Michigan	38-2011532
(State or other jurisdiction of incorporation or organization)	(I. R. S. Employer Identification Number)
101 West Washington Street, Marquette, Michigan	49855
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (906) 228-6940

Not applicable
(Former name, former address, and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days YES_xNo__

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of of the latest practicable date.

CLASS	Outstanding as of May 8, 1992
Common Stock, $1.00 par value	2,578,928

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MICHIGAN FINANCIAL CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended March 31 1992	1991
	(in thousands)	
OPERATING ACTIVITIES		
Net income	$ 1.551	$ 1.262
Adjustments to reconcile net income to net cash provided by operating activities:		
(Increase) decrease in interest receivable	555	(144)
Provision for loan losses	319	510
Depreciation and amortization	318	327
Amortization of investment security premium	229	296
Realized gain on sale of loans	(127)	(5)
Increase in interest payable	24	240
Other	(464)	(540)
NET CASH PROVIDED BY OPERATING ACTIVITIES	2.405	1.946
INVESTING ACTIVITIES		
Purchases of investment securities	(19.111)	(23.454)
Proceeds from maturities of investment securities	16.600	17.570
Net (increase) decrease in short-term investments	(11.483)	400
Net decrease in loans	6.214	1.886
Purchases of premises and equipment	(1.023)	(282)
Proceeds from sales of premises and equipment	3	1
NET CASH USED BY INVESTING ACTIVITIES	(8.800)	(3.879)
FINANCING ACTIVITIES		
Cash dividends	(489)	(434)
Net increase (decrease) in deposits	181	(1.928)
Net increase in short-term borrowings		310
Net decrease in other debt		(177)
Proceeds from sale of common stock	66	75
NET CASH USED BY FINANCING ACTIVITIES	(242)	(2,154)
DECREASE IN CASH AND DUE FROM BANKS	(6.637)	(4.087)
Cash and due from banks at beginning of year	35,328	31,962
CASH AND DUE FROM BANKS AT END OF PERIOD	$28.691	$27.875

See notes to consolidated financial statements.

MICHIGAN FINANCIAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

	Three months ended March 31	
	1992	1991
	(in thousands, except per share data)	
Interest income:		
Loans, including fees	$11.929	$12.438
Short-term investments	947	1.061
Investment securities:		
Taxable	2.190	2.715
Tax-exempt	108	76
TOTAL INTEREST INCOME	15.174	16.290
Interest expense:		
Deposits	7.481	9.027
Short-term borrowings		6
Other debt		16
TOTAL INTEREST EXPENSE	7,481	9,049
NET INTEREST INCOME	7.693	7,241
Provision for loan losses	319	510
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	7.374	6.731
Other income:		
Trust department income	710	624
Fees for other customer services	423	380
Other	443	286
	1,576	1,290
	8,950	8,021
Other expenses:		
Salaries and employee benefits	3.227	3.033
Data processing	474	448
Net occupancy	471	419
Furniture and equipment	342	340
FDIC premiums	366	296
Other real estate	237	74
Other	1,677	1,651
	6,794	6,261
Income before income tax	2.156	1.760
Income tax expense	605	498
NET INCOME	$ 1.551	$ 1.262
	=======	=======
WEIGHTED AVERAGE SHARES OUTSTANDING	2.577	2.555
Per share data:		
Net income	$.60	$.49
Dividends paid	$.19	$.17

See notes to consolidated financial statements.

PART I. FINANCIAL INFORMATION

MICHIGAN FINANCIAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	March 31, 1992	December 31, 1991	March 31, 1991
ASSETS	(dollars in thousands)		
Cash and due from banks	$ 28,691	$ 35,328	$ 27,875
Short-term investments	98,455	86,972	59,450
Investment securities	125,587	123,305	139,801
Loans	438,513	444,857	431,564
Allowance for loan losses	(5,736)	(5,674)	(5,866)
NET LOANS	432,777	439,183	425,698
Premises and equipment	13,635	12,929	12,398
Accrued interest receivable	5,456	6,011	6,936
Other assets	6,576	6,601	6,830
	$711,177	$710,329	$678,988
LIABILITIES			
Domestic deposits:			
Noninterest bearing	$ 59,190	$ 62,599	$ 50,702
Interest bearing	586,794	583,204	565,741
TOTAL DEPOSITS	645,984	645,803	616,443
Short-term borrowings			506
Other debt			579
Accrued interest payable	3,486	3,462	4,351
Other liabilities	3,791	4,276	3,863
TOTAL LIABILITIES	653,261	653,541	625,742
STOCKHOLDERS' EQUITY			
Common stock, par value $1 per share-5,000,000 shares authorized, shares issued and outstanding: March 31, 1992 - 2,578,928 December 31, 1991 - 2,574,717 March 31, 1991 - 2,558,670	2,579	2,575	2,559
Surplus	14,167	14,104	13,887
Retained earnings	41,170	40,109	36,800
TOTAL STOCKHOLDERS' EQUITY	57,916	56,788	53,246
	$711,177	$710,329	$678,988

See notes to consolidated financial statements.

MICHIGAN FINANCIAL CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE A - BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q, and therefore do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting only of normal recurring accruals) considered necessary for a fair presentation have been reflected in the financial statements. However, the results of operations for the three month periods ended March 31, 1992 and 1991 are not necessarily indicative of the results to be expected for the full year.

For further information, refer to the consolidated financial statements and footnotes included in the Company's annual report on Form 10-K for the year ended December 31, 1991.

NOTE B - INVESTMENT SECURITIES

A comparison of the carrying amount and approximate market value follows:

	March 31, 1992		December 31, 1991	
	Carrying Amount	Approximate Market Value	Carrying Amount	Approximate Market Value
	(in thousands)			
U.S. Treasury and government agencies	$ 90,411	$ 92,378	$106,027	$109,191
State and political subdivisions	8,647	8,616	6,978	6,984
Mortgage-backed securities	25,072	24,609	8,853	8,861
Other securities	1,457	1,500	1,447	1,502
TOTAL	$125,587	$127,103	$123,305	$126,538

NOTE C - RECLASSIFICATIONS

Certain amounts in 1991 have been reclassified to conform with the classifications in 1992.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is management's discussion and analysis of certain significant factors which have affected the Company's financial condition and earnings during the periods included in the accompanying consolidated financial statements.

FINANCIAL CONDITION

A summary of the period changes in principal sources and uses of funds is shown below in thousands of dollars, and as a percent.

	Change from December 31, 1991 to March 31, 1992	
	Amount of Increase (Decrease)	Percent Increase (Decrease)
Funding sources:		
Deposits	$ 181	.0%
Other sources, net	7,995	218.6
Total sources	$ 8,176	1.2%
Funding uses:		
Loans	$(6,087)	(1.4)%
Investment securities	2,282	1.9
Short-term investments	11,483	13.2
Interest bearing deposits in other banks	498	NMF
Total uses	$ 8,176	1.2%

Aggregate deposits, the primary source of funds, increased by only $181,000 during the first quarter of 1992. Experience was mixed within the deposit category, as shown below:

	Increase (Decrease)	Percent
Demand	$ (3,409)	(5.4)%
Savings	13,931	4.9
Time-retail	(7,129)	(2.7)
Time-jumbo	(3,212)	(10.1)
	$ 181	.0%

Demand deposits decreased at four of the Company's six banking subsidiaries and time deposits decreased at all six. These decreases were offset by increases in the savings category in five of the six banking subsidiaries.

The loan portfolio decreased by 1.4% during the first quarter of 1992. The real estate mortgage and installment loan areas both decreased slightly during the period while commercial loans showed a small increase. The installment loan decrease can be attributed to a decrease in demand for these types of loans, while the real estate mortgage decrease is due to the Company's subsidiary banks reselling mortgages in the secondary market.

Funds not required to meet loan demand are invested in other earning assets. For liquidity purposes the excess funds generated during the period were mainly placed in short-term assets, with the remainder placed in investment securities and interest bearing deposits in other banks.

In addition to the above trends in the sources and uses of funds, the Company services loans for outside agencies, primarily the Federal Home Loan Mortgage Corporation (FHLMC). At March 31, 1992 the volume of FHLMC loans sold with servicing being retained was $93.2 million. The comparable figure for 1991 was $61.5 million. The ability of the Company to sell these loans in large block amounts enables it to more effectively manage its funding operations.

LIQUIDITY AND CAPITAL RESOURCES

During the first quarter of 1992 there were no significant changes with respect to the capital resources of the Company. Management feels that the liquidity position of the Company as of March 31, 1992 is much more than adequate to meet its future cash flow needs. Capital adequacy regulations, effective December 31, 1992, require Tier I capital (common equity less goodwill) of 4.0% of risk-adjusted assets and Total capital (primarily Tier I capital plus the allowance for loan losses, subject to certain limitations) of 8.0% of risk-adjusted assets. A minimum level of Tier I capital to average total assets ("leverage ratio") of 3.0% has also been stipulated. As summarized below, the Corporation's capital ratios were well in excess of those requirements.

	Regulatory Minimum for 1992	March 31, 1992	March 31, 1991
Tier I capital	4.0%	13.13%	12.41%
Total capital	8.0	14.38	13.78
Tier I leverage ratio	3.0	8.18	7.84

RESULTS OF OPERATIONS

A summary of the period to period changes in the principal items included in the consolidated statements of income is shown below in thousands of dollars, and as a percent.

	Comparison of Three months ended March 31, 1992 and 1991 Increase(Decrease)	
Interest income	$(1,116)	(6.9)%
Interest expense	(1,568)	(17.3)
Net interest income	452	6.2
Provision for loan losses	(191)	(37.5)
Net interest income after provision for loan losses	643	10.0
Other income	286	22.2
Other expenses	533	8.5
Income before income tax	396	22.5
Applicable income tax	107	21.5
Net income	$ 289	22.9%

Net Interest Income

The increase in net interest income during the first quarter of 1992 was due to the fact that while both the interest income and the interest expense decreased from the first quarter of 1991 the interest expense decreased more. The Company's ongoing process to match liabilities and assets for rate sensitivity has met with some success as net interest income again increased during the first quarter of 1992. The continued decline in nonperforming loans, as discussed under "Provision for Loan Losses", has also had a beneficial impact on net interest income.

Provision for Loan Losses

The decrease in the loan loss provision during the first three months indicates a normalization in the provision at the subsidiary bank level. The Company was able to increase its allowance for loan losses by $62,000 or 1.1% during the quarter despite the decrease in the amount of the loan loss provision. Net loan charge-offs for the quarter amounted to $257,000, a decrease of 28.8% from the amount of $361,000 for the comparable period in 1991.

Expressed as a percent of outstanding loans the allowance increased from 1.28% at year end 1991 to 1.31% at March 31, 1992. The allowance level will not necessarily be maintained at this level during future periods as the amounts provided during any given period are dependent upon management's ongoing review process and assessment of the perceived loss exposure in the then outstanding loan portfolio.

The quality of the loan portfolio showed continued improvement during the first quarter of 1992 as nonperforming loans decreased by $538,000 or 13.4%. Total nonperforming assets, which includes other real estate, showed an improvement of $637,000 or 10.5% from December 31, 1991.

The table below summarizes the changes made in nonperformings since year end 1991.

	March 31, 1992	December 31, 1991
	(in thousands)	
Nonaccrual loans	$1,884	$2,305
Loans past due 90 days or more	1,396	1,509
Restructured loans	201	205
Total nonperforming loans	3,481	4,019
Other real estate	1,977	2,076
Total nonperforming assets	$5,458	$6,095
Nonperforming loans as a % of total loans	.79%	.90%
Nonperforming assets as a % of total assets	.77%	.86%

On a percentage basis, the allowance for loan losses increased from 141.2% of nonperforming loans at the end of 1991 to 164.8% at March 31, 1992. Management intends to continue in its efforts toward improving the quality of the loan portfolio.

Other Income

Other income increased by $286,000 or 22.2% from the first three months of 1991. Much of the increase in other income is due to $127,000 in gains on sales of loans by three of the Company's banks, compared to $6,000 during the first three months of 1991. It is not anticipated that the Company will continue to recognize this level of gains on sales of loans during the rest of the year. In addition, more than 30% of the increase is due to an increase of $86,000 or 13.8% in trust income.

Other Expenses

The increase in other expenses resulted from increases in the major categories of other expenses, indicative of the normal effects of inflation as well as the growth of the organization. The major components of other expenses increased as follows:

Salaries and employee benefits	6.4%
Occupancy, furniture and equipment	7.1
Data processing	5.8
FDIC premiums	23.6
Other real estate	NMF
Other	1.6

Much of the increase in FDIC premiums for the first quarter of 1992 is due to the July 1, 1991 increase of 17.9% in the premium rate charged on deposits. At this time the Company does not anticipate any further rate increases during 1992. The expense for other real estate owned was $163,000 over the comparable period in 1991. This was due to a combination of 1992's expense for the first quarter being inflated due to some losses on disposals of properties, while 1991's was below historic levels. Management does not anticipate this increase will continue the rest of the year.

Applicable Income Tax

Applicable income tax expense is based on income, less that portion which is exempt from federal taxation, taxed at the statutory federal income tax rate of 34%. The provision is further reduced by other smaller items. The increase in the 1992 income tax provision reported herein for the first quarter was mostly due to the improvement in pre-tax income of the Company for the first quarter of 1992, combined with a decrease in the portion of interest income which is exempt from federal taxation.

PART II. OTHER INFORMATION

Item 6 - Exhibits and Reports on Form 8-K

(b) Reports on Form 8-K - There were no reports on Form 8-K filed for the three months ended March 31, 1992.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Michigan Financial Corporation
(Registrant)

Dated: May 8, 1992

Howard L. Cohodas, Chairman
& President
(Chief Executive Officer)

Dated: May 8, 1992

Kenneth F. Beck, Senior Vice President,
Treasurer & Secretary
(Chief Financial Officer and
Chief Accounting Officer)

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SECURITIES AND EXCHANGE COMMISSION
Washington, D .C. 20549

P92-2231

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

For Quarter ended **March 31, 1992** Commission file number **0-8320**

MID-PLAINS TELEPHONE, INC.
Exact Name of Registrant as Specified in Its Charter)

WISCONSIN
(State or Other Jurisdiction of Incorporation or Organization)

39-0274450
(I.R.S. Employer Identification No.)

1912 Parmenter Street, P.O. Box 70, Middleton, Wisconsin
(Address of Principal Executive Offices)

53562
(Zip Code)

Registrant's telephone number, including area code **(608) 831-1000**

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ____

As of March 31, 1992, there were 1,945,977 shares of Common Stock outstanding.

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MID-PLAINS TELEPHONE, INC.

1st QUARTER REPORT ON FORM 10-Q

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MID-PLAINS TELEPHONE, INC.

CONSOLIDATED BALANCE SHEETS

	March 31, 1992	December 31, 1991
	In Thousands	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 997	$ 561
Accounts receivable -		
Due from subscribers	688	705
Customer sales and services	587	531
Other, principally connecting companies	1,230	1,240
Inventories		
Plant materials and supplies	256	214
Communications systems and parts	672	694
Other	147	65
	4,577	4,010
PROPERTY, PLANT AND EQUIPMENT		
Telephone, in service and under construction, at original cost	32,751	32,469
Less Accumulated depreciation	(10,759)	(10,540)
	21,992	21,929
INVESTMENT AND OTHER ASSETS		
Cellular limited partnership interest	2,470	2,470
Other	916	952
	3,386	3,422
	$ 29,955	$ 29,361

The accompanying notes to consolidated financial statements are an integral part of these statements.

(UNAUDITED)

MID-PLAINS TELEPHONE, INC.

CONSOLIDATED BALANCE SHEETS

	March 31, 1992	December 31, 1991
	In Thousands	
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current maturities of long-term debt	$ 659	$ 659
Notes payable to banks	1,200	1,200
Accounts payable	1,475	1,373
Accrued taxes	467	214
Other	620	466
	4,421	3,912
LONG-TERM DEBT	8,324	8,482
DEFERRED CREDITS		
Income taxes	1,589	1,590
Investment tax credits	511	531
Other	908	903
	3,008	3,024
STOCKHOLDERS' EQUITY		
Common stock, par value $3.33-1/3 share; authorized 3,000,000 shares; issued 1,945,977 and 1,944,362 shares, respectively	6,487	6,481
Additional paid-in capital	4,199	4,170
Retained earnings	3,516	3,292
	14,202	13,943
	$ 29,955	$ 29,361

The accompanying notes to consolidated financial statements are an integral part of these statements.

(UNAUDITED)

MID-PLAINS TELEPHONE, INC.

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended	
	March 31, 1992	March 31, 1991
	In Thousands Except For Per Share Data	
OPERATING REVENUES		
Telephone operations		
Local network services	$ 523	$ 489
Network access and long distance services	2,038	1,733
Other	549	473
System sales and services	1,229	973
	4,339	3,668
OPERATING EXPENSES		
Telephone operations		
Plant operations	557	528
Depreciation and amortization	482	457
Customer operations	429	440
Corporate operations	388	464
General taxes	176	152
System sales and services		
Cost of sales and services	785	561
Operating expenses	351	328
	3,168	2,930
OPERATING INCOME BEFORE INCOME TAXES	1,171	738
Other income	2	3
Interest expense	(257)	(266)
INCOME BEFORE INCOME TAX EXPENSE	916	475
Income tax expense	342	149
NET INCOME	$ 574	$ 326
Average shares considered outstanding	1,945	1,940
Earnings per share	$ .30	$ .17
Cash dividends per share	$ .180	$ .175

The accompanying notes to consolidated financial statements are an integral part of these statements.

(UNAUDITED)

MID-PLAINS TELEPHONE, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31, 1992	Three Months Ended March 31, 1991
	In Thousands	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 574	$ 326
Add (Deduct) adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	496	484
Deferred income taxes	(21)	(43)
Change in accounts and other receivables	(29)	114
Change in inventories	(19)	(14)
Change in accounts payable	102	(220)
Change in other assets and liabilities	324	438
Net cash from operations	1,427	1,085
CASH FLOWS FROM FINANCING ACTIVITIES		
Repay long-term debt	(159)	(144)
Dividends paid	(350)	(339)
Stock purchase plan	35	64
Net cash used in financing	(474)	(419)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(589)	(491)
Other, net	72	37
Net cash used in investing activities	(517)	(454)
CASH AND CASH EQUIVALENTS		
Net increase during period	436	212
Beginning of period	561	705
End of period	$ 997	$ 917
Cash paid during the period:		
Interest	$ 194	$ 195
Income taxes	$ 645	$ 265

The accompanying notes to consolidated financial statements are an integral part of these statements.

(UNAUDITED)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. The unaudited financial statements included herein have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information in footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes the disclosures are adequate to make the information presented not misleading. It is suggested that these financial statements be read in conjunction with the financial statements and the notes thereto included in the Company's Form 10-K for the year ended December 31, 1991.

   In the opinion of the Company, the accompanying financial statements contain all adjustments necessary to present fairly the financial position as of March 31, 1992 and December 31, 1991, and the results of operations and cash flows for the three months ended March 31, 1992 and 1991. The results for the three months ended March 31, 1992 are not necessarily indicative of the results of operations which may be expected for the entire year ending December 31, 1992.

2. Certain amounts previously reported for 1991 have been reclassified to conform with this 1992 presentation.

MID-PLAINS TELEPHONE, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Net income increased $248,000 for the first quarter 1992 compared to the first quarter of 1991. The primary factors that influenced the results of operations are discussed below.

Telephone operating revenues increased $415,000 for the first quarter of 1992 as compared to the first quarter of 1991. Network access and long distance service revenues increased in the first quarter of 1992 due to growth in access lines, new intrastate rates, and a decrease of $98,000 in 1991 revenues due to adjustments for prior periods. Other telephone revenues increased in the first quarter of 1992 due to growth and new intrastate billing and collection rates.

Telephone operating expenses, which include plant, depreciation and amortization, customer, corporate, and general taxes, decreased by $9,000 in the first quarter of 1992 as compared to the first quarter of 1991. This decrease was due primarily to first quarter 1991 corporate expense of $109,000 in connection with a March 1991 special shareholder meeting.

System sales and service revenues increased $256,000 for the first quarter of 1992 as compared to the first quarter of 1991 due to increased sales of systems. Cost of sales, as a percentage of operating revenues, were 64% for the first quarter of 1992 and 58% for the first quarter of 1991. Operating expenses did not change significantly.

LIQUIDITY AND CAPITAL COMMITMENTS

The Company plans to meet its 1992 cash requirements with cash flows from operations and short-term bank notes. Bank lines of credit available to the Company are currently $5 million.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits I. - None

(b) Reports on Form 8-K

There were no reports on Form 8-K filed for the three months ended March 31, 1992.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MID-PLAINS TELEPHONE, INC.
(Registrant)

Date May 11, 1992

Howard G. Hopeman, Vice-President and
Chief Financial Officer

Date May 11, 1992

Fredrick E. Urben, Vice-President, Finance,
Secretary & Treasurer

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Q92-2231

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

RECD S.E.C.
MAY 15 1992

FOR THE QUARTER ENDED MARCH 31, 1992
COMMISSION FILE NUMBER 0-15885

National **Datacomputer,** Inc.
(Exact name of Registrant as specified in its charter)

Delaware	04-2942832
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

900 Middlesex Turnpike, Bldg. 5
Billerica, MA
(Address of principal executive offices)

01821
(ZIP Code)

PROCESSED BY
MAY 18 1992

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Registrant's telephone number including area code (508)663

Microfilmed by
Q-Data Corp. - St. Petersburg, FL

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ____ **No** X

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of March 31, 1992.

Common Stock, $ .0002 par value	164,203,387
(Title of each class)	**(number of shares)**

NATIONAL DATACOMPUTER, INC.

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Notes to financial statements........................ 6

Management's discussion and analysis of financial conditions and results of operations................. 7

PART II. OTHER INFORMATION............................. 8

NATIONAL DATACOMPUTER, INC.

BALANCE SHEET
March 31, 1992 and December 31, 1991

ASSETS	MARCH 31, 1992 (Unaudited)	DECEMBER 31, 1991 (Unaudited)
CURRENT ASSETS:		
Cash and cash equivalents	$ 51,240	$ (74,505)
Accounts receivable, less allowance for doubtful accounts	252,142	160,590
Inventories	412,307	429,764
Prepaid expenses and other current assets	4,043	3,115
Total current assets	719,732	518,964
Property and equipment, at cost	952,625	952,625
Less accumulated depreciation	879,176	865,373
Net property and equipment	73,449	87,252
Other assets	0	0
Total assets	$ 793,181	$ 606,216
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	612,491	642,063
Accrued payroll and other accrued expenses	779,694	587,849
Deferred income	356,590	319,279
Total current liabilities	1,748,775	1,549,191
Long term debt	360,000	225,000
Total liabilities	2,108,775	1,774,191
Stockholders' equity (deficit):		
Preferred stock, $.001 par value, 50,000 shares authorized, no shares issued or outstanding	-	-
Common stock, $.0002 par value, 250,000,000 shares authorized; 164,203,387 issued and outstanding at March 31, 1992. 164,203,387 issued and outstanding at December 31, 1991	32,841	32,841
Capital in excess of par value	6,850,412	6,850,412
Accumulated (deficiency)	(8,198,846)	(8,051,228)
Total stockholders' equity	(1,315,593)	(1,167,975)
Total liabilities and stockholders' equity	$ 793,182	$ 606,216

See notes to financial statements.

NATIONAL DATACOMPUTER, INC.
STATEMENT OF OPERATIONS
Three months ended March 31, 1992 and March 31, 1991

	First Fiscal Quarter Ended	
	MARCH 31, 1992	MARCH 31, 1991
	(UNAUDITED)	
Net Sales	$ 598,919	$ 755,614
Other Revenues	130,503	136,592
	729,422	892,206
Costs & operating expenses:		
Cost of sales	333,838	341,242
Cost of service	68,376	69,662
Research & development	176,388	227,905
Selling, general and administrative expenses	288,858	249,195
Total costs & operating expenses	867,460	888,004
Operating profit (loss) from continuing operations	(138,038)	4,202
Interest expense	(9,594)	(4,495)
Interest income	14	4,590
Net Profit (Loss)	$ (147,618)	$ 4,297
Earnings (loss) per share:		
Loss from continuing operations	$ (0.00)	$ 0.00
Net loss	$ (0.00)	$ 0.00
Weighted average number of common shares outstanding	164,203,387	164,203,387

See notes to financial statements.

NATIONAL DATACOMPUTER, INC.

STATEMENTS OF CASH FLOWS
For the three months ended March 31, 1992 and March 31, 1991

	Three months ended	
	MARCH 31, 1992	MARCH 31, 1991
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit/(loss)..	(147,618)	4,297
Adjustments to reconcile net profit/(loss) to net cash used for operating activities:		
Depreciation and amortization............................	13,803	29,910
Increase/(decrease) in cash from:		
Accounts receivable..................................	(91,552)	(146,154)
Income tax refund receivable.........................	---	---
Inventories..	17,457	61,762
Prepaid expenses and other...........................	(927)	(2,654)
Accounts payable.....................................	(29,572)	(34,204)
Accrued payroll and other accrued expenses...........	191,845	81,009
Deferred income......................................	37,310	(11,820)
Total adjustments....................................	124,561	(52,061)
Net cash provided/(used in) operating activities..........	(23,057)	(47,764)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for purchases of property and equipment............	0	0
Deposits..	0	0
Net cash (used in) investing activities.....................	0	0
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayments of borrowings....................................	0	0
Borrowings..	135,000	0
Net cash (used in) financing activities.....................	135,000	0
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS............	125,746	(17,854)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR................	(74,506)	45,028
CASH AND CASH EQUIVALENTS, END OF PERIOD....................	51,240	27,174

See notes to financial statements.

NATIONAL DATACOMPUTER, INC.

NOTES TO FINANCIAL STATEMENTS
(Unaudited)

1. In the opinion of Management,the accompanying unaudited financial statements include all adjustments and normal recurring accruals necessary to present fairly the financial position, results of operations and changes in financial position.

2. The computations of earnings (loss) per share are based on the weighted average number of common shares outstanding; common equivalent shares are included as the effect of such as the effect would be considered immaterial.

3. Inventories:

Inventories consisted of:	March 31, 1992	December 31 1991
	(in thousands)	
Raw Material.................	$ 258	$ 270
Work In Process..............	112	118
Finished Goods...............	42	42
	$ 412	$ 430

A portion of finished goods inventory consists of units on consignment with customers for test and demonstration purposes. Inventories are stated at the lower of cost (first-in, first-out) or market.

4. Supplemental Cash Flow Information:

	For the three months ended March 31, 1992	March 31, 1991
Cash payments for interest expense....................	$9,594	$4,451

NATIONAL DATACOMPUTER, INC.
MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATIONS

RESULTS OF OPERATIONS

Revenues for the first quarter, ended March 31, 1992 were down $162,784 or 18% compared to the same period one year ago. Computer software sales accounted for most of the decline. This resulted from a shift in emphasis to new product development in the first quarter, 1992.

The Company did receive a purchase order in March from a VAR for $188,000 to be shipped over the next six months.

Costs and Operating expenses were down for the first quarter, 1992 approximately 12% from the same period one year ago. Research and Development costs were lower by $51,517, which represented a personnel transfer and replacement program in line with changing requirements.

Selling and G&A expenses were higher by $39,663, all of which occurred in selling expenses, the majority of which was for travel.

SOURCES OF LIQUIDITY

The Company has a working capital line of credit from a bank. The current borrowing under this line of credit amounts to $360,000 at March 31, 1992. This line of credit is guaranteed by Mr. Norman Mackinnon, President and Chief Executive Officer of the Company.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings:
None.

Item 2. Changes in Securities:
Not Applicable

Item 3. Defaults upon Senior Securities:
Not Applicable

Item 4. Submissions of Matters to a Vote of Security Holders:
Not Applicable

Item 5. Other Information:
Not Applicable

Item 6. Exhibits and Reports on Form 10K:
None

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NATIONAL DATACOMPUTER, INC.

May 14, 1992

Norman Mackinnon
Norman Mackinnon
President
Chief Executive Officer

May 14, 1992

Gerald Ellberg
Gerald S. Ellberg
Vice President of Finance
and Administration,
Chief Financial Officer

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

R92.2231

For Quarter Ended February 29, 1992 Commission File Number 0-15043

NORMAR INVESTMENT CORPORATION

Utah
(State of Incorporation)

87-0412012
(I.R.S. Employer Identification Number)

25911

3447 Fleetwood Drive, Salt Lake City, Utah 84109
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (801)277-0861

Not Applicable
(Former name, former address and former fiscal year, if changed since last report).

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ____

Number of shares outstanding of each class of Registrant's common stock as of February 29, 1992.

Common $0.001 Par Value	2,756,000 Shares

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PART I Financial Information

Item 1. Financial

NORMAR INVESTMENT CORPORATION
(A development State Company)
Balance Sheet

		(Unaudited) February 29, 1992	(Unaudited) May 31, 1991
Assets			
Cash	$	-	-
Total assets	$	-	-
Liabilites & Stockholders' Deficit			
Current Liabilities:			
Demand note and accrued interest payable to officer	$	134,364	133,939
Accrued income taxes		75	100
Total current liabilities		134,439	134,039
Total liablities		134,439	134,039
Stockholders' Deficit:			
Common stock, $0.001 par value, 50,000,000 shares authorized, 2,756,000 shares issued and outstanding		2,756	2,756
Additional paid-in capital		184,178	184,178
Deficit accumulated during the development state		(321,373)	(320,973)
Total stockholders' deficit		(134,439)	(134,039)
Total liabilities and stockholders'(deficit)	$	-	-

See Accompanying Note to Financial Statements

NORMAR INVESTMENT CORPORATION
(A Development Stage Company)
Statements of Cash Flows
(Unaudited)

	Accumulated During Development Stage	Nine Months Ended February 29,	
		1992	1991
Cash Flows Used in Operating Activities:			
Net (loss)	$(321,373)	(400)	(1,053)
Adjustments to reconcile net loss to net cash used in operating activities:			
Losses on investments and equipment written off	264,122	-	-
Unrealized losses on marketable equity securities	6,573	-	-
Increase in accrued interest payable to officer	24,474	-	-
Increase (decrease) in accrued income taxes	75	(25)	(25)
Net cash used in operating activities	(26,129)	(425)	(1,078)
Cash Flows From Investing Activities:			
Payment for purchase of equipment	(62,922)	-	-
Payment for acquisition of investments in mineral interests	(201,200)	-	-
Payment for purchase of marketable equity securities	(6,573)	-	-
Net cash used in investment activities	(270,695)	-	-
Cash Flows From Financing Activities:			
Proceeds from issuance of promissory notes	109,890	425	550
Proceeds from issuance of common stock	186,934	-	-
Net cash provided by financing activities	296,824	425	550
Net decrease in cash	-	-	(528)
Cash at beginning of period	-	-	528
Cash at end of period	$ -	-	-

See Accompanying Note to Financial Statements

NORMAR INVESTMENT CORPORATION
(A Development Stage Company)
Statements of Loss
(Unaudited)

	Accumulated During Development Stage	Three Months Ended February 29,	
		1992	1991
Revenue:			
Interest income	$ 6,984	-	-
Total revenue	6,984	-	-
Expenses:			
Air compressor rental	3,363	-	-
Research and development	165	-	-
Drilling	538	-	-
Legal and professional fees	24,734	-	-
Office expenses	3,462	-	50
Franchise tax	272	-	11
Interest expenses	24,474	-	-
Unrealized lossses on marketable equity securities	6,573	-	-
Losses from investments and equipment written off	264,122	-	-
Total expenses	327,703	-	61
(Loss) before income Tax	(320,719)	(-)	(61)
Income Tax (Expense)	(654)	(25)	(25)
Net (loss)	$(321,373)	(25)	(86)
(Loss) Per Common Share		$ (NIL)	(NIL)
Weighted Average Number of Shares Outstanding		2,756,000	2,756,000

See Accompanying Note to Financial Statements

NORMAR INVESTMENT CORPORATION
(A Development Stage Company)
Statements of Loss
(Unaudited)

	Accumulated During Development Stage	Nine Months Ended February 29, 1992	1991
Revenue:			
Interest income	$ 6,984	-	7
Total revenue	6,984	-	7
Expenses:			
Air compressor rental	3,363	-	-
Research and development	165	-	-
Drilling	538	-	-
Legal and professional fees	24,734	75	700
Office expenses	3,462	250	285
Franchise tax	272	-	-
Interest expenses	24,474	-	-
Unrealized losses on marketable equity securities	6,573	-	-
Losses from investments and equipment written off	264,122	-	-
Total expenses	327,703	325	985
(Loss) before income Tax	(320,719)	(325)	(978)
Income Tax (Expense)	(654)	(75)	(75)
Net (loss)	$(321,373)	(400)	(1,053)
(Loss) Per Common Share		$ (NIL)	(NIL)
Weighted Average Number of Shares Outstanding		2,756,000	2,756,000

See Accompanying Note to Financial Statements

NORMAR INVESTMENT CORPORATION
(A Development Stage Company)
Note to Financial Statements
February 29, 1992

1. BASIS OF PRESENTATION

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the nine-month period ended February 29, are not necessarily indicative of the results that may be expected for the year ended May 31, 1992. For further information, refer to the financial statements and footnotes thereto included in the Company's annual report on Form 10-K for the year ended May 31, 1991.

Item 2: Management's Discussion and Analysis of Results of Operations and Financial Condition.

Normar Investment Corporation is still a development company. It has minor day to day operations consisting of review of the various ventures in which the Company interests and such steps as are necessary to comply with such state and federal regulations and laws as to which the Company is subject. Normar's officers are actively seeking to find a business operation for the company to develop into a revenue position of daily business, but to date have not been successful in accomplishing this objective. No representation or guarantee is made that such revenue producing operations will be acquired by the company. The officers and directors spend necessary time on corporate business as needed for no compensation.

During the three-month period ended August 31, 1990, the Board of Directors adjusted certain aspects of the promissory note due to one of the officers. Under the new arrangement, all previously owing amounts were consolidated into one revolving note agreement, which after May 31, 1990, bears no interest. The amount owing on the note is payable on demand, and would fall due automatically upon a change in control of the Company. The note is secured by a piece of mining equipment known as a Dunbar Pulverizer, the cost of which was written off in a previous year.

For the Three (3) months ending February 29, 1992, the Company had no income.

The Company showed a net loss for the Three (3) month period of Twenty Dollars ($25.00). The Twenty Five Dollars ($25.00) came as a result of accrued Utah State Franchise Taxes.

The results of the Three (3) months operations are expected to carry over to year-end and the Company expects to show a net loss on its year-end statement.

FINANCIAL CONDITION

During the Three (3) month period the Corporation has incurred no additional debt. The total monies owed including interest is One Hundred Thirty Four Thousand Three Hundred Sixty Four Dollars ($134,364.00). Monies so owed were used to acquire title to assets, to purchase interests in ventures and pay operating expenses.

The Company has at present very limited operating capital. In order to continue operations, the Company will in all probability need to raise additional working capital through either a sale of stock or assets or through borrowing.

PART II. Other Information.

Item 1. Legal Proceedings.

The Officers and Directors know of no legal proceeding or litigation contemplated or threatened. There are no judgements against the Company or its officers or directors.

Item 2. Change of Securities.

None

Item 3. Defaults on Senior Securities.

None

Item 4. Submission of Matters to Vote of Shareholders.

None

Item 5. Other Matters.

None

The Company has made no Form 8-K filings during the quarter for which this Form 10-Q covers.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NORMAR INVESTMENT CORPORATION
(Registrant)

3/8/92
(Date)

BY: Lois Crowder
Lois Crowder
President and Chief Financial
Officer and Director

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SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

S92-2231

For the Quarter Ended March 31, 1992 Commission File Number 1-8800

OSAGE FOOTWEAR, INC.
(Exact name of registrant as specified in charter)

ARKANSAS	71-0700971
(State or other jurisdiction of incorporation)	(IRS Employer Identification No.)
100 FIFTH STREET, MONETT, MO	65708
(Address of principal executive office)	(Zip Code)

Registrant's telephone number, including area code (417) 235-3122

(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ____

Class	OUTSTANDING AT MARCH 31, 1992
Common stock, $.01 par value	16,597,400

Total # of pages 11

OSAGE FOOTWEAR, INC.

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Part I Item I
Financial Information

Osage Footwear, Inc.
Condensed Balance Sheets
(In Thousands)

	March 31, 1992 (Unaudited)	December 31, 1991 (Audited)
Assets		
Current Assets:		
Cash	178	181
Accounts receivable:		
Trade, net of allowance for doubtful accounts	5,238	1,973
Trade, due from majority stockholder	20	75
Inventories	3,849	5,425
Prepaid expenses and other	241	184
Total current assets	9,526	7,838
Property, plant and equipment, net	1,326	1,271
Trade names and Other assets	444	476
Total Assets	11,296	9,585
Liabilities and Stockholders' Equity		
Current Liabilities:		
Revolving credit agreement	3,628	2,578
Accounts payable	243	509
Accrued liabilities	450	467
Current maturities of L-T debt	3,514	1,457
Assumed claims of creditors	56	85
Total current liabilities	7,891	5,096
Long-Term Debt:		
Promissory Notes	909	2,466
Total long-term debt	909	2,466
Other	640	640
Total Liabilities	9,440	8,202
Stockholders' Equity:		
Common Stock, $.01 par value: 50,000,000 shares authorized: 16,597,400 shares issued and outstanding	166	166
Capital in excess of par value	2,501	2,501
Retained Earnings (Deficit)	(811)	(1,284)
Total Stockholders' Equity	1,856	1,383
Total Liabilities and Stockholders' Equity	11,296	9,585

Osage Footwear, Inc.

Condensed Statements of Income (Loss)
(In Thousands, except per share amounts)
(Unaudited)

	Three months ended March 31, 1992	For the period from inception February 18 to March 31, 1991
Net Sales	7,059	2,146
Cost of sales	5,321	1,895
Gross profit	1,738	251
Selling, general and administrative expenses	1,305	519
Interest expense	150	80
Other income, net (Note 4)	(219)	(2)
	1,236	597
Income (loss) before retirement plan	502	(346)
Provision for retirement plan	29	0
Net income (loss)	473	(346)
Average number of shares outstanding (Note 6)	17,847	17,847
Income (loss) per share	0.03	(0.02)

No dividends were declared or paid in the period.

Osage Footwear, Inc.

Condensed Statements of Cash Flows
(In Thousands)
(Unaudited)

	Three months ended March 31, 1992	For the period from inception February 18 to March 31, 1991
Cash flows from operating activities:		
Net Income (loss)	473	(346)
Adjustments to reconcile net income (loss) to net cash used by operating activities:		
Depreciation and amortization	32	32
Change in assets and liabilities:		
Increase in accounts receivable	(3,210)	(686)
Decrease in inventory	1,576	861
Decrease (increase) in prepaid expenses	(57)	12
Decrease (increase) in trade names and other assets	32	(22)
Decrease in accounts payable	(266)	(389)
Increase (decrease) in accrued liabilities	(17)	176
Decrease in assumed creditor claims	(29)	(167)
Total adjustments	(1,939)	(183)
Net cash used by operating activities	(1,466)	(529)
Cash flows from investing activities:		
Proceeds from sale of property, plant & equipment	6	0
Additions to property, plant & equipment	(93)	(367)
Net cash used by investing activities	(87)	(367)
Cash flows from financing activities:		
Borrowings on revolving credit agreement, net	1,050	2,828
Borrowings from majority stockholder, net	2,000	300
Payments of notes payable	(1,300)	(2,120)
Gain on early payment of note payable	(200)	0
Net cash provided by financing activities	1,550	1,008
Net increase (decrease) in cash	(3)	112
Cash at beginning of period	181	0
Cash at end of period	178	112
Supplementary information:		
Interest paid for the period	189	360

OSAGE FOOTWEAR, INC.

NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 1992 AND THE PERIOD FROM INCEPTION FEBRUARY 18, 1991 TO MARCH 31, 1991

(1) PRINCIPLES OF PREPARATION

The condensed financial statements included herein have been prepared by management, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. Management believes, however, that the disclosures herein are adequate to make the information presented not misleading and that no adjustments to these condensed interim financial statements are necessary.

The results of operations for the period ended March 31, 1992 are not necessarily indicative of the results to be expected for a full year.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - Osage Footwear, Inc. (the "Company") was incorporated in February 1991 for the purpose of manufacturing, importing and selling shoes. The Company acquired substantially all of the assets of Jumping-Jacks Shoes, Inc. on February 18, 1991 (the "acquisition date") in a business combination accounted for using the purchase method of accounting. The Company acquired the assets through assumption of liabilities currently estimated at approximately $8,250,000 and the issuance of common stock with a value of approximately $2,667,000. The assets acquired and liabilities assumed have been valued at their fair value. The values used for certain assets and liabilities are based on the most current information presently available. Jumping-Jacks Shoes, Inc. was a debtor in possession at the time of the acquisition. Certain of the liabilities assumed by the Company are claims of unsecured creditors. The settlement of these claims is provided for in an order by the United States Bankruptcy Court. The Company believes that certain of these approved claims may be settled for less than the claimed amount while other claims may still arise as the claims payment process is completed. Consequently, changes in the ultimate claims that the Company may have to pay, and changes in the currently recovered values of certain assets and liabilities accounted for on a tentative basis may need to be adjusted as additional information, which the Company has arranged to obtain, becomes available. The amount of the adjustment is not expected by management to have a significant effect on the financial position of the Company. Such purchase price adjustments will be made as soon as the information is available.

Inventories - The Company accounts for all inventories at the lower of cost using the first-in, first-out (FIFO) method of accounting or market.

Property, Plant and Equipment - Property, plant and equipment is stated at fair market value. Depreciation is computed using the straight-line method over the properties' estimated useful lives which range from 5 to 15 years, commencing at the acquisition date of the Company. The properties' fair values have been determined considering the cost of necessary repairs to be made to buildings.

Prepaid Expenses and Other - Lasts, dies and patterns are amortized over twelve months using the straight-line method.

Trade Names and Other Assets - Trade names acquired are amortized over five years using the straight-line method. Molds and organization costs, which are both included in other assets, are amortized over five years using the straight-line method. Such assets are periodically reviewed to determine their continuing period of benefit and may be charged against operations or amortization may be accelerated if a determination is made that their benefit has ceased or the period of benefit has decreased.

Income Taxes - Deferred taxes will be provided for the temporary differences between the financial accounting bases of assets and liabilities and their related income tax bases. At the acquisition date, the principal difference between the financial reporting and income tax reporting bases resulted from certain assets being stated at fair value at the acquisition date for financial reporting purposes and at historical cost for income tax reporting purposes. A deferred tax asset is recognized only in the event that net deductible amounts in future years would be recoverable by a carryback refund of taxes paid in current or prior years or by reduction of a current deferred tax liability.

(3) INVENTORIES

	March 31, 1992	December 31, 1991
Inventories consisted of:		
Raw materials	760	1,280
Work in process	328	232
Finished goods	2,761	3,913
Total	3,849	5,425

(4) NOTES PAYABLE AND LONG-TERM DEBT

Notes payable and long-term debt at March 31, 1992 and December 31, 1991, consisted of:	March 31, 1992	December 31, 1991
Note payable to majority stockholder, due on demand, or if no demand due April 1992, interest at 4.6 percent at March 31, 1992, payable in full at maturity, collateralized by certain land, buildings, equipment and inventories	1,400	1,400
Note payable to majority stockholder, short-term, interest at Bank of Boston's base rate plus 1/2 percent (7.00 percent at March 31, 1992), subordinate to the companies revolving line of credit	2,000	0
Revolving line of credit ($4,000,000), payable to a bank, due July 1, 1992, interest at bank prime plus 1/2 percent (7.00 percent at March 31, 1992), collateralized by accounts receivable and inventories and by guaranty of majority stockholder	3,628	2,578

Notes payable to insurance companies, due February 1994, interest at 12 percent, payable in monthly installments of interest only, principal due in full at maturity, collateralized by certain land, buildings, machinery and equipment	0	1,500
Notes payable to insurance companies, due February 2001, interest at 9.68 percent, interest only payable semiannually, beginning September 1, 1991, with equal principal payments of $56,814 plus interest due semiannually, beginning September 1, 1992, unsecured	1,023	1,023
	8,051	6,501
Less current maturities of long-term debt	7,142	4,035
	909	2,466

Scheduled maturities of notes payable and long-term debt at March 31, 1992, are as follows:

Year ending March 31, 1992:	
1993	7,142
1994	113
1995	113
1996	113
1997	113
Thereafter	457
	8,051

Included in other income is $200,000 for discount due to early payment of the secured promissory notes.

(5) ASSUMED CLAIMS OF CREDITORS

At the acquisition date, the Company agreed to assume the liability for certain unsecured claims of creditors of Jumping-Jacks Shoes, Inc. and administrative expenses related to Jumping-Jacks Shoes, Inc. bankruptcy proceedings (collectively referred to as "claims"). The total amount of claims assumed is estimated to be $1,065,000. This amount is based on management's determination of liability considering claims filed, claims in dispute and claims to be negotiated by the Company. This amount may be adjusted upon final determination of the actual liability. Upon such adjustment the purchase price allocation would be affected. The amount of the adjustment is not expected by management to have a significant effect on the financial position of the Company.

Of the total estimated claims made, the Company has agreed pursuant to the acquisition to pay claims totaling approximately $900,000 at various dates after February 18, 1991. The remaining claims are to be paid over a ten year period beginning with interest only at the rate of 9.68 percent due in February 1992 with equal semi-annual principal payments plus interest beginning in August 1992 and continuing through February 2001.

(6) STOCKHOLDERS' EQUITY

The company has issued 16,597,400 shares of common stock as of March 31, 1992. Pursuant to order of the United States Bankruptcy Court, the Company is to issue 17,846,667 shares of common stock having a par value of $.01. At March 31, 1992, issuance of the 17,846,667 shares had not been completed pending various procedural matters including determination of the necessary allocation of certain shares among the former creditors of Jumping-Jacks Shoes, Inc. Upon issuance of the remaining shares, a reclassification will be made increasing common stock to an amount equal to the total shares issued times the $.01 par value and decreasing capital in excess of par value by an equal amount. Earnings per share have been calculated as if the 17,846,667 shares were issued and outstanding for the entire period. Of the 17,846,667 shares, 11,600,333 (65.0 percent) shares have been issued to one stockholder (the "majority stockholder"). The remaining shares which are to be issued in exchange for rights of the former stockholders and creditors of Jumping-Jacks Shoes, Inc. are included in stockholders' equity at their fair value derived from the shares acquired by the majority stockholder.

(7) INCOME TAXES

The Company has net operating loss carryforwards for financial and federal income tax reporting purposes of approximately $1,217,000 and $1,578,000, respectively. Differences in carryforwards for financial and federal income tax purposes related primarily to the method of accounting for bad debts. The carryforwards expire in the year ending December 31, 2006.

(8) RELATED PARTIES

The Company has a management agreement with its majority stockholder under which the stockholder agrees to provide consulting services in various areas of the Company's operations and administration for a period of five years. The Company is to pay $130,000 annually to the stockholder for such services.

The Company also has a guaranty agreement with its majority stockholder under which the stockholder agrees to guaranty the $4,000,000 revolving line of credit with a bank. The Company is to pay one percent of the total committed line of credit as an annual fee.

Accounts payable of approximately $69,000 are payable to the majority stockholder.

PART I ITEM II

OSAGE FOOTWEAR, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OPERATIONS

For the three months ended March 31, 1992:

Operations for the period resulted in net income of $473,000 on net sales of $7,059,000, or 6.7 percent. These amounts increased considerably from the prior year numbers. The most recent period includes a full three months, January 1 through March 31, 1992, while the prior year period included only February 18, through March 31, 1991. This represents a net income of $.03 per share for the period.

Other income for the period includes a $200,000 discount for early payment of the companies secured promissory note which was paid in full during the quarter.

LIQUIDITY

Operating capital was provided to the Company by loans of $1.4 million and $2 million from the majority stockholder, Munro & Company, Inc., and a $4 million revolving line of credit from First Tennessee Bank National Association of Memphis, Tennessee, which is guaranteed by the majority stockholder. The availability of funds from this revolving line are determined by a borrowing base formula equal to 80% of eligible trade receivables and 40% of eligible inventories. Current borrowings under this line are $3.6 million. The Company is negotiating an agreement with the majority stockholder to act as factor for both trade receivables and inventories.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The Registrant is not currently involved in any legal proceedings which, in the judgment of the Registrant, subjects it to liability that would be material and is not adequately covered by insurance.

Item 6 (a). Exhibits

None

Item 6 (b). Report on Form 8-K

None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

OSAGE FOOTWEAR, INC.

Date : May 15, 1992

James H Schumacher
Jim Schumacher, Chief Executive Officer

Date : May 15, 1992

Charles E. Hinkle
Charles E. Hinkle, Vice President -
Treasurer

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15 (D) OF THE SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended March 31, 1992 Commission File Number 0-7475

PHOTO CONTROL CORPORATION
(Exact Name of Registrant as Specified in its Charter)

Minnesota	41-0831186
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
4800 Quebec Avenue North, Minneapolis, Minnesota	55428
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number (612) 537-3601

(Former name, former address, and former fiscal year if changes since last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ___

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the close of the period covered by this report.

Class	Outstanding at March 31, 1992
Common Stock, par value $.08	1,315,152 Shares

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PHOTO CONTROL CORPORATION
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PHOTO CONTROL CORPORATION
CONSOLIDATED BALANCE SHEET
(Unaudited)

	March 31 1992	December 31 1991
ASSETS		
Current Assets		
Cash	$ 1,012,755	$ 1,273,420
Accounts Receivable	1,235,707	1,081,270
Other Receivables	41,340	39,988
Inventories	4,827,717	4,575,971
Prepaid Expenses	72,225	91,801
Total Current Assets	7,189,744	7,062,450
Investments and other Assets		
Cash Value of Life Insurance	168,913	162,285
Goodwill	102,765	112,077
Notes Receivable	38,483	49,028
Deferred Income Taxes	200,000	200,000
Total Investments and other Assets	510,161	523,390
Plant and Equipment		
Land and Building	4,143,703	4,143,703
Machinery and Equipment	2,776,226	2,776,225
Accumulated Depreciation	(3,269,520)	(3,440,564)
Total Plant and Equipment	3,650,409	3,479,364
	$11,350,314	$11,065,204
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Current Maturities of Long-Term Debt	$ 153,276	$ 144,646
Accounts Payable	610,676	284,494
Accrued Payroll and Employee Benefits	326,977	325,231
Accrued Expenses	117,761	104,240
Accrued Income Taxes		28,221
Total Current Liabilities	1,208,690	886,832
Long-Term Debt	1,768,937	1,778,994
Deferred Compensation	257,479	241,270
Stockholders' Equity		
Common Stock	105,212	105,652
Additional Paid-In Capital	1,002,305	1,006,485
Retained Earnings	7,007,691	7,045,971
Total Stockholders' Equity	8,115,208	8,158,108
	$11,350,314	$11,065,204

See accompanying notes to consolidated financial statements.

PHOTO CONTROL CORPORATION
CONSOLIDATED STATEMENT OF OPERATIONS
(unaudited)

	THREE MONTHS ENDED MARCH 31 1992	 1991
Sales	$ 2,751,451	$ 2,473,948
Cost and Expenses		
Cost of Goods Sold	1,664,509	1,635,144
Marketing and Administrative	837,290	788,075
Research, Development & Eng.	253,597	243,691
Interest	31,636	54,584
	2,787,032	2,721,494
Income (Loss) Before Income Tax	(35,581)	(247,546)
Income Tax (Benefit) Provision	(15,000)	(100,000)
Net Income (Loss)	(20,581)	(147,546)
Net Income Per (Loss) Common Share	$ (.02)	$ (.11)

See accompanying notes to consolidated financial statements.

PHOTO CONTROL CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

	March 31	
	1992	1991
Cash flows from operating activities:		
Net income from operations	$(20,581)	$(147,546)
Items not affecting cash-		
Depreciation	72,973	82,080
Amortization	9,312	9,312
Deferred compensation	16,209	12,791
Change in:		
Receivables	(155,789)	42,307
Inventories	(251,746)	(145,901)
Prepaid Expenses	19,576	39,460
Income taxes	(28,221)	(142,627)
Accounts payable	326,182	88,459
Accrued expenses	15,267	32,434
Net cash provided by (used in) operating expenses	3,182	(129,231)
Cash flows from investing activities:		
Additions to plant and equipment	(244,018)	(17,349)
Additions to cash value of life insurance	(6,628)	(6,628)
Proceeds from note receivable	10,545	10,622
Net cash (used in) investing activities	(240,101)	(13,355)
Cash flow from financing activities:		
Repayment of long-term debt	(1,428)	(17,247)
Purchase of common stock	(22,318)	(38,510)
Net cash provided by (used in) by financing activities	(23,746)	(55,757)
Change in cash	(260,665)	(198,343)
Cash at beginning of period	1,273,420	543,721
Cash at end of period	$1,012,755	$345,378

PHOTO CONTROL CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 1992
(Unaudited)

NOTE 1

Notes to financial statements presented herein do not include all the footnotes normally presented in the Company's annual report to stockholders.

The accompanying financial statements reflect, in the opinion of management, all normal and recurring adjustments necessary to a fair presentation of financial position, results of operations, and cash flows for the interim periods. The results for interim periods are not necessarily indicative of results to be expected for the year.

NOTE 2

Inventories are analyzed as follows:

	March 31 1992	December 31 1991
Raw Materials	$3,208,536	$3,018,285
Work in Progress	718,561	618,778
Finished Goods	900,620	938,908
	$4,827,717	$4,575,971

NOTE 3

Net Income per common share is computed based on the weighted average number of common shares outstanding and the potentially dilutive effective of stock options during the respective periods. Stock option dilution is computed under the Treasury Stock method using the average market price of the Company's common stock.

PHOTO CONTROL CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

OPERATIONS

Sales increased $277,503 when compared to the same quarter in the preceding fiscal year. Lighting equipment sales decreased $242,087, camera sales increased $119,041 and printer sales increased $400,549. The sales increase for cameras and printers reflect increased volume due to improved economic conditions. The lighting equipment line continues to experience a very competitive market.

Cost of goods sold increased $29,365 with gross profit margins increasing from 33.9% to 39.5%. The gross margin increase is the result of high production and the related absorption of fixed manufacturing overhead. Also the product mixed in 1992 changed slightly from 1991.

Marketing and administrative expenses increased $49,215 which reflects the higher sales commissions due to the higher sales.

Research, Development and Engineering expense increased slightly by $9,906.

Interest expense decreased $22,948 due to lower outstanding debt and lower interest rates.

LIQUIDITY

Cash decreased by $260,665 since December 31, 1991. Working capital decreased from $6,175,618 at December 31, 1991 to $5,981,054 at March 31, 1992. The cash decrease reflects cash used in investing activities of $240,101, the purchase of common stock of $22,318 and repayment of long-term debt of $1,428.

CAPITAL RESOURCES

The Company repurchased 5,500 shares of common stock in the amount of $22,319. There were no short-term borrowings under a line of credit at March 31, 1992 and December 31, 1991.

ITEM 2. Changes in Securities

	Common Stock			
	Number of Shares	Amount	Additional Paid In Capital	Retained Earnings
Balance at December 31, 1991	1,320,652	$105,652	$1,006,485	$7,045,971
Repurchase of Stock	(5,500)	(440)	(4,180)	(17,699)
Net Loss				(20,581)
Balance at March 31, 1992	1,315,152	$105,212	$1,002,305	7,007,691

ITEM 6. Exhibit and Reports on Form 8-K

A. Exhibits - None
B. Reports on Form 8-K - There was no Form 8-K filed during the quarter.

PHOTO CONTROL CORPORATION
(Registrant)

4-21-92
Date

L.A. Willig, Chairman of the Board

4-21-92
Date

C.R. Jackels, Vice President-Treasurer

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 1992

Commission File Number 33-22692-A

PORT ST. LUCIE NATIONAL BANK HOLDING CORP.
A Florida Corporation - I.R.S. No. 65-0051022

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Q-Data Corp. - St. Petersburg, FL

10570 U.S. One South
Port St. Lucie, Florida 34952

Registrant's Telephone Number:
(407) 340-2800

Common Stock, $.01 par value per share

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to the filing requirements for the past 90 days.

Yes __X__ No ______

The number of shares outstanding of each of the registrant's classes of common stock as of March 31, 1992:

Common Stock, $.01 par value -- 606,684 shares

PORT ST. LUCIE NATIONAL BANK HOLDING CORP. AND SUBSIDIARY

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PORT ST. LUCIE NATIONAL BANK HOLDING CORP.
AND SUBSIDIARY
Condensed Consolidated Balance Sheets
(Dollars in Thousands)

	March 31, 1992 (Unaudited)	December 31, 1991*
Assets		
Cash and due from banks	$ 2,073	1,324
Federal funds sold	175	875
Investment securities (estimated market values of $22,564 in 1992 and $23,133 in 1991) (Note 2)	22,294	22,595
Investment securities held for sale (estimated market values of $1,204 in 1992 and $1,205 in 1991)	1,202	1,202
Loans held for sale, net of deferred loan origination fees (estimated market values of $1,098 in 1992 and $970 in 1991)	1,084	950
Loans (Note 3)	22,433	19,649
Less: Allowance for loan losses	(367)	(352)
Net deferred loan origination fees	(74)	(51)
Net loans	21,992	19,246
Other real estate owned	185	---
Premises and equipment, net	987	969
Other assets	792	710
Total assets	$ 50,784	47,871
Liabilities and Shareholders' Equity		
Liabilities:		
Deposits:		
Noninterest bearing demand	$ 7,307	5,645
Interest bearing:		
Demand	5,245	5,654
Money market	6,274	5,880
Savings	4,201	2,874
Time	20,776	20,902
Total deposits	43,803	40,955
Other liabilities	729	669
Total liabilities	44,532	41,624
Shareholders' equity:		
Common stock, $.01 par value, authorized 10,000,000 shares; issued and outstanding 606,684 shares	6	6
Additional paid-in capital	6,125	6,125
Retained earnings	121	116
Total shareholders' equity	6,252	6,247
Total liabilities and shareholders' equity	$ 50,784	47,871

See accompanying notes to condensed consolidated financial statements

*Condensed from December 31, 1991 audited balance sheet.

PORT ST. LUCIE NATIONAL BANK HOLDING CORP.
AND SUBSIDIARY
Condensed Consolidated Statements of Earnings
(Amounts in Thousands except per share data)
(Unaudited)

	Three Months Ended March 31, 1992	Three Months Ended March 31, 1991
Interest income:		
Loans, including fees	$ 477	350
Loans held for sale	37	4
Investment securities	413	355
Investment securities held for sale	13	---
Federal funds sold	6	112
Interest on deposits with banks	---	2
Total interest income	946	823
Interest expense:		
Deposits	406	436
Other	2	---
Total interest expense	408	436
Net interest income	538	387
Provision for loan losses	47	32
Net interest income after provision for loan losses	491	355
Noninterest income:		
Service charge on deposit accounts	58	44
Gain on sale of loans held for sale	28	9
Other fees for customer services	19	7
Total noninterest income	105	60
Noninterest expense:		
Compensation and employee benefits	227	147
Furniture and equipment	28	20
Occupancy	50	21
Other	213	158
Total noninterest expense	518	346
Net income before income taxes	78	69
Income tax expense	27	24
Net Income	$ 51	45
Net income per common share	$ 0.08	0.07
Dividends declared per common share	$ 0.075	---
Average common shares outstanding	607	607

See accompanying notes to condensed consolidated financial statements

PORT ST. LUCIE NATIONAL BANK HOLDING CORP.
AND SUBSIDIARY
Condensed Consolidated Statements of Cash Flows

(Dollars in Thousands)
(Unaudited)

	Three Months Ended March 31, 1992	Three Months Ended March 31, 1991
Cash flow from operating activities:		
Net Income	$ 51	45
Adjustments to reconcile net income to net cash provided (used) from operating activities:		
Provision for loan losses	47	32
Depreciation	33	16
Amortization of organization costs	6	6
Deferred loan origination fees and costs, net of amortization	58	12
(Increase) decrease in loans held for sale	(106)	396
Gain on sale of loans held for sale	(28)	(9)
Increase in other assets	(88)	(217)
Increase in other liabilities	14	103
Net cash provided (used) from operating activities	(13)	384
Cash flow from investing activities:		
Proceeds from maturities of investment securities	1,585	3,865
Purchase of investment securities	(1,284)	(9,949)
Loans originated net of repayments	(2,869)	(1,956)
Purchase of premises and equipment	(51)	(11)
Purchase of other real estate owned	(167)	---
Net cash used by investing activities	(2,786)	(8,051)
Cash flow from financing activities:		
Net increase in transaction and savings accounts	2,974	960
Net increase (decrease) from issuance of certificates of deposit net of maturities	(126)	3,017
Net cash provided by financing activities	2,848	3,977
Net increase (decrease) in cash and cash equivalents	49	(3,690)
Cash and cash equivalents at beginning of period	2,199	9,408
Cash and cash equivalents at end of period	$ 2,248	5,718
Supplemental disclosure		
Noncash investment and financing activities:		
Reclassification of loans to other real estate owned	$ 18	---
Dividends declared	46	---

See accompanying notes to condensed consolidated financial statements

PORT ST. LUCIE NATIONAL BANK HOLDING CORP. AND SUBSIDIARY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in Thousands)

(1) GENERAL

The unaudited condensed consolidated interim financial statements for the Company reflect all adjustments (consisting only of normal recurring accruals) which, in the opinion of management, are necessary to present a fair statement of the results for interim periods. The results for interim periods are not necessarily indicative of trends or results to be expected for the full year. These condensed consolidated interim financial statements and notes should be read in conjunction with the Company's annual report and Form 10-K for the year ended December 31, 1991.

(2) INVESTMENT SECURITIES

The amortized cost, gross unrealized gains, gross unrealized losses, and estimated market values of investment securities are as follows:

	March 31, 1992 (unaudited)			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Market Value
U.S. Treasury securities	$ 7,901	116	35	7,982
Securities of other U.S. Government Agencies	8,909	115	14	9,010
FHLMC/FNMA Mortgage backed securities	4,829	75	—	4,904
Corporate debt securities	500	13	—	513
Total debt securities	22,139	319	49	22,409
Federal Reserve stock	155	—	—	155
Total securities	$22,294	319	49	22,564

	December 31, 1991			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Market Value
U.S. Treasury securities	$ 7,381	214	4	7,591
Securities of other U.S. Government Agencies	8,657	150	—	8,807
FHLMC/FNMA Mortgage backed securities	4,901	160	—	5,061
Corporate debt securities	1,501	18	—	1,519
Total debt securities	22,440	542	4	22,978
Federal Reserve stock	155	—	—	155
Total securities	$22,595	542	4	23,133

The amortized cost and estimated market value of debt securities at March 31, 1992, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Amortized Cost	Estimated Market Value
Due in one year or less	$ 3,511	3,576
Due after one year through five years	11,237	11,329
Due after five years through ten years	2,562	2,600
	17,310	17,505
Mortgage backed securities	4,829	4,904
Total debt securities	$ 22,139	22,409

There were no sales of investment securities for the three months ended March 31, 1992 or March 31, 1991.

At March 31, 1992 and December 31, 1991, investment securities with an amortized cost of $7,404 and $8,984, respectively, and a market value of $7,575 and $9,308, respectively, were pledged as collateral for municipal deposits and for a federal funds purchase line of credit.

(3) LOANS

An analysis of loans follows:

	March 31, 1992 (unaudited)	December 31, 1991
Commercial and industrial loans	$ 3,832	4,565
Real estate-construction	1,156	764
Real estate-other:		
Loans on primary residences	9,522	5,977
Other	4,945	5,304
Loans to individuals:		
Installment	2,595	2,664
Other personal and business loans	383	375
Total	$ 22,433	19,649

At March 31, 1992, real estate-construction loans were comprised of $836 in single family residential loans and $320 in commercial real estate loans. At December 31, 1991 real estate - construction loans were comprised of $498 in single family residential loans and $266 in commercial real estate loans.

FORT ST. LUCIE NATIONAL BANK HOLDING CORP. AND SUBSIDIARY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in Thousands)

At March 31, 1992 and December 31, 1991, loans to directors, executive officers, and principal shareholders aggregated $1,032 and $995, respectively. Total unfunded commitments to this group at March 31, 1992 and December 31, 1991 aggregated $668 and $698, respectively.

On March 25, 1992 the Bank purchased in foreclosure for $167 a single family residence on which it held a second mortgage position for $36. Concurrently, after evaluating the current marketability of the property and allowing for reasonable selling expenses, the $36 loan was written down to $18 and transferred to other real estate owned resulting in a carrying value of $185 on the property.

PORT ST. LUCIE NATIONAL BANK HOLDING CORP. & SUBSIDIARY
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(Dollars in Thousands)

OVERVIEW

Port St. Lucie National Bank Holding Company's (the Company) total assets at March 31, 1992 were $50,784, an increase of $2,913 or 6.1% over December 31, 1991. Net income for the three months ended March 31, 1992 also increased to $51 from $45 for the three months ended March 31, 1991. Earnings for the three months ended March 31, 1992 represents $0.08 per share as compared to $0.07 for the three months ended March 31, 1991.

The Bank opened its first branch office in December, 1991. As a result, the Bank experienced increased personnel, occupancy, and fixed asset expense in the first quarter of 1992. The impact of the branch office on future quarterly earnings will be dependant upon the development of the branch's loan and deposit base. To date, the branch continues to attract deposits, although loan growth has been hampered by the same economic conditions that have slowed consumer and commercial loan activity in the market area in the last year.

EARNINGS ANALYSIS

NET INTEREST INCOME

Net interest income for the three months ended March 31, 1992 was $538, an increase of $151 or 39.0% over the three months ended March 31, 1991. This increase was primarily attributable to a 33.4% increase in average earning assets during the comparison periods and to an improved loan to deposit ratio of 51.2% as compared to 38.3% at March 31, 1991.

The net interest yield for the three months ended March 31, 1992 was 4.4%, an increase of 20 basis points over the three months ended March 31, 1991. As interest rates declined, interest bearing liabilities and interest bearing assets have repriced at substantially lower rates. During this period the Company improved its mix of earning assets by increasing the loan portfolio and decreasing lower yielding overnight and short term investments which contributed to the increase in net interest yield.

NONINTEREST INCOME

Noninterest income was $105 for the three months ended March 31, 1992. This represents a $45 or 75.0% increase over the three months ended March 31, 1991. The primary source of noninterest income is service charges on deposit accounts. Service charges on deposit accounts were $58 for the three months ended March 31, 1992, an increase of $14 or 31.8% over the three months ended March 31, 1991. The increase in service charges is primarily attributable to growth in transaction accounts and increases in selected service charge amounts which became effective on August 1, 1991. In addition, $1,349 of loans held for sale were sold without recourse during the three months ended March 31, 1992, resulting in a $28 gain which is reflected as non-interest income. During the three months ended March 31, 1991, $598 of loans held for sale were sold without recourse resulting in a $9 gain. It is the intention of the Company to continue to originate and sell without recourse fixed rate single family residential mortgage loans as long as there is demand to originate the product in the Company's market.

PORT ST. LUCIE NATIONAL BANK HOLDING CORP. & SUBSIDIARY
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(Dollars in Thousands)

NONINTEREST EXPENSE

Noninterest expense for the three months ended March 31, 1992 was $518, an increase of $172 or 49.7% over the three months ended March 31, 1991. These increases are primarily attributable to increased personnel expenses, occupancy, fixed asset and other expenses which include professional fees, marketing, and FDIC insurance premiums. A portion of these increases can be attributed to the additional personnel and occupancy expenses associated with the opening of the branch office. In addition, FDIC premiums increased again on July 1, 1991 to 0.230% from the 0.195% level that became effective January 1, 1991. Unless a special one time assessment is imposed, no further increases in FDIC premiums are expected in 1992.

INCOME TAXES

The net income of $78 before income taxes for the three months ended March 31, 1992, reflects an increase of $9 over the three months ended March 31, 1991. The resulting income tax expense of $27 for the period is an increase of $3 over the three months ended March 31, 1991. Income tax expense increased as a result of the increase in net income before income taxes.

LIQUIDITY AND INTEREST RATE SENSITIVITY

Liquidity and interest rate sensitivity positions are regularly examined and evaluated by management in conjunction with market interest rates, balance sheet composition, and funding source requirements.

For financial institutions, liquidity represents the institution's ability to meet both loans and other commitments as well as depositor withdrawals. In the opinion of management, the Company maintains liquidity levels adequate to meet such demands. At March 31, 1992, the Bank had outstanding commitments to fund $2,665 in unused lines of credit and $177 in standby letters of credit. At March 31, 1992, the Company had $3,664 in certificates of deposit of $100 or more which mature within twelve months. The Company expects to meet such liquidity requirements by attracting new deposits, or obtaining renewals on existing certificates. Notwithstanding declining interest rates, the Company continues to grow its deposit base due to the acceptance of the Bank in the market. In addition, the Company had on deposit at March 31, 1992 municipal deposits aggregating $4,323 which were not subject to maturity; consequently, the duration of current balance levels is not precisely known. The Company maintained sufficient cash equivalents at March 31, 1992 in federal funds sold of $175, securities maturing within 180 days of $2,508, securities held for sale of $1,202, and federal funds purchase commitment of $1,500 to meet the possible liquidity requirements of the municipal deposits. In accordance with the "Florida Security for Public Deposit Act" of the State of Florida, qualified investment securities are pledged to the State of Florida at an aggregate level of 125% of the prior month's daily average balance of municipal deposits. At March 31, 1992, investment securities aggregating $5,872 were pledged against municipal deposits.

The Company continues to monitor and adjust interest rate sensitivity with the goal of minimizing any adverse effect of changing market rates on the Company's net interest income. The Company will attempt to maintain this balanced interest rate sensitivity position.

Unlike commercial companies, a substantial portion of the Company's assets are monetary in nature. Accordingly, the effects of changes in interest rates are more relevant than changes in the general level of consumer prices, which may not move in the same direction or magnitude as interest rates.

EARNING ASSETS AND FUNDING SOURCES

At March 31, 1992, earning asset categories totaled $46,747 and comprised 92.1% of total assets. Investment securities at $22,294 or 47.7%, investment securities held for sale at $1,202 or 2.6% and loans at $21,992 or 47.0% of earning assets account for the majority. Deposits, the primary source of funds, totaled $43,803 at March 31, 1992, of which $7,307 or 16.7% was in non-interest bearing demand deposits and $36,496 or 83.3% of total deposits was in interest bearing deposits.

INVESTMENT SECURITIES

Total investment securities at March 31, 1992 were $22,294, a decrease of $301 or 1.3% compared to the amount at December 31, 1991. The primary components of the change were a $520 or 7.0% increase in U.S. Treasury securities, $72 or 1.5% decrease in mortgage-backed securities, $252 or 2.9% increase in U.S. Government agencies, and $1,001 or 66.7% decrease in corporate securities. The slight reduction in investment securities can be attributed to the reinvesting of maturing securities into similar investments and the deposit growth being absorbed in the loan portfolio.

The investment portfolio had gross unrealized gains of $319 as of March 31, 1992 and $542 as of December 31, 1991. The gross unrealized losses in the investment portfolio as of March 31, 1992 were $49 and as of December 31, 1991 were $4.

At March 31, 1992, investment securities held for sale were $1,202. These were comprised solely of U.S. Government agencies. At December 31, 1991 the investment securities held for sale were also $1,202.

LOANS

Net loans at March 31, 1992, were $21,992, an increase of $2,746 or 14.3% over December 31, 1991. The growth in the loan portfolio during the three month period was in real estate loans. From December 31, 1991 to March 31, 1992, outstanding balances on real estate construction loans increased $392 or 51.3% and other real estate lending aggregated a $3,186 increase or 28.2%. Loans to individuals decreased $61 or 2.0% during the three month period while commercial and industrial loans also decreased by $733 or 16.1%. The increase in real estate loans is primarily due to the continued demand caused by the decline in mortgage interest rates. Similar declines in the prime rate have had less impact on the demand for commercial loans and loans to individuals.

The Company does not engage in any speculative real estate lending or real estate development lending. The real estate loans are predominately made on owner occupied properties with established cash flows.

ASSET QUALITY

The allowance for loan losses as of March 31, 1992 was $367 or 1.64% of loans outstanding as compared to $237 or 1.74% at March 31, 1991. This is a net increase of $137 or 59.6% over March 31, 1991. The increase in the allowance for loan losses was primarily due to growth in the loan portfolio of 70.0% over the twelve months ended March 31, 1992. The ten basis points decline in the allowance for loan losses as a percentage of outstanding loans between the two periods can be primarily attributed to the increase in lower risk real estate loans. Real estate loans in the portfolio are primarily on single family residences and small owner occupied commercial properties which historically have required a lower provision to the allowance for loan losses than most other types of loans. Real estate loans increased from 57.0% of the total loan portfolio at March 31, 1991 to 64.5% at March 31, 1992.

PORT ST. LUCIE NATIONAL BANK HOLDING CORP. & SUBSIDIARY
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(Dollars in Thousands)

A reconciliation of the allowance for loan losses follows:

	Three Months Ended	
	March 31, 1992 (unaudited)	March 31, 1991 (unaudited)
Beginning Balance	$ 352	211
Provision charged to expense	47	32
Loans charged off	(34)	(18)
Recoveries	2	5
Ending Balance	$ 367	230
Ratios:		
Allowance for loan losses as a percent of ending loans	1.64%	1.74

Management is unaware of any loan which is classified for regulatory purposes that represents or results from trends or uncertainties that will materially impact future operating results, liquidity, or capital resources. In addition, management is unaware of any information regarding material credits that would cause management to have serious doubts as to the ability of such borrowers to comply with repayment terms.

NON-PERFORMING LOANS

Loans are placed on a nonaccrual status when they become 90 days past due unless determined to be both adequately collateralized and actively in the process of collection. When full collection of principal becomes doubtful, the uncollectible portion of the loan is charged-off.

As of March 31, 1992 the Bank had no loans past due 90 days or more, $101 in nonaccrual and $185 in other real estate owned. Two nonaccrual loans totaling $42 are real estate loans on residential lots and the third nonaccrual loan in the amount of $59 is a home equity loan on a primary residence. Other real estate owned consists of one loan on a single family residence. Interest would have been recorded for all non-performing loans in the amount of $1 during the first quarter of 1992 if these loans have been current in accordance with their original terms. At December 31, 1991 there were no loans 90 days past due or more, one loan in the amount of $37 on nonaccrual and no loans in other real estate owned. The one loan in nonaccrual was a home equity loan on a single family primary residence.

	March 31, 1992	December 31, 1991
Loans past due 90 days or more	$ —	—
Nonaccrual loans	101	37
Other real estate owned	185	—
Nonperforming assets as a percent of ending loans	1.3%	0.2

The two nonaccrual loans and the loan transferred to other real estate owned are the result of local business failures. Although the local economy is not the only factor in these failures, the weakness that has been evident in the local economy in the last year contributed to the problems that resulted in the failures. Management is aware of the impact the economy is having and continues to carefully monitor it's effect on the loan portfolio.

FUNDING SOURCES

Deposits at March 31, 1992 were $43,803, an increase of $2,848 or 7.0% from December 31, 1991. The components of this change were a $1,662 or 29.4% increase in non-interest bearing demand accounts, $394 or 6.7% increase in money market deposits, $1,327 or 46.1% increase in savings deposits, $126 or .6% decrease in time deposits, and $409 or 7.2% decrease in interest bearing demand deposits. The increase in money market deposits and savings deposits and the decrease in time deposits can be primarily attributed to the lower interest rate environment. As rates fall, consumers prefer liquidity to longer term instruments at rates perceived as too low. The overall growth in deposits can be attibuted to continued acceptance of the bank after three years in the community and to the addition of a new office in December 1991.

CAPITAL RESOURCES

Total shareholders' equity at March 31, 1992 was $6,252, an increase of $5 or .1% over December 31, 1991. The increase is due to the addition of $51 in after tax earnings for the three months ending March 31, 1992 and a decrease of $46 due to the declaration of the Company's first cash dividend.

On February 20, 1992, the Company declared its first cash dividend in the amount of 7.5 cents per share totaling $46 to shareholders of record of the same date. The dividend is payable at the annual meeting on April 21, 1992 and is reflected in the first quarter of 1992.

Effective December 31, 1990, transitional regulatory guidelines require bank holding companies and banks to have a minimum total risk-based capital ratio of 7.25% with at least 50% of total capital in the form of Tier 1 capital as defined by the Federal Reserve Board and the Office of the Comptroller of the Currency. The Company and the Bank exceeded these transitional guidelines with a total risk-based capital ratio of 26.3% and 23.5%, respectively, at March 31, 1992, as compared to 27.3% and 25.9%, respectively, at December 31, 1991. This decrease can be primarily attibuted to the Bank's growth in the first quarter of 1992.

Final capital guidelines require a minimum risk-based capital ratio of 8.00% to become effective at the end of 1992. In addition, a capital leverage ratio is now being used in connection with the risk-based capital standards, which is defined as Tier 1 capital divided by total assets. The minimum leverage ratio is 3.00% for the highest rated bank holding companies and banks which are not taking on significant expansion programs. An additional 1% or 2% may be required for other companies and banks, depending upon their regulatory ratings and expansion plans. On March 31, 1992, the Company and Bank also exceeded these minimum guidelines with leverage ratios of 12.4% and 10.8%, respectively, as compared to 13.1% and 12.19%, respectively, on December 31, 1991. This decrease can be primarily attibuted to the Bank's growth in the first quarter of 1992.

The Federal Deposit Insurance Corporation Improvement Act of 1991 requires Federal banking regulators to establish a five tiered capital ranking system and prescribe a leverage ratio, a risk-based ratio and other relevant capital measures by tier. Under the legislation, Federal banking regulators are to modify the existing risk-based capital requirements to incorporate interest rate risk, concentrations of credit risk and risks from nontraditional activities.

The Company and the Bank do not anticipate any difficulty in meeting these new requirements in the foreseeable future.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

None

Item 2. Changes in Securities.

None

Item 3. Defaults upon Senior Securities.

None

Item 4. Submission of Matters to a Vote of Security Holders.

None

Item 5. Other Information.

None

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits:
None

(b) Reports on Form 8-K:
No reports on Form 8-K were filed during the first quarter of 1992.

PORT ST. LUCIE NATIONAL BANK HOLDING CORP. AND SUBSIDIARY

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PORT ST. LUCIE NATIONAL BANK HOLDING CORP.

Date: 5/13/92

By:
J. Hal Roberts, Jr.
President/Chief Executive Officer

Date: 5/13/92

By:
Randall A. Ezell
Senior Vice President
Chief Financial Officer

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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

PROCESSED BY
L3Q MAY 8 1992
Microfilmed by
Q-Data Corp. - St. Petersburg, FL

For the quarterly period ended March 29, 1992

Commission file number 001-10647

PRECISION OPTICS CORPORATION, I..
(Exact name of registrant as specified in its charter)

Massachusetts	04-2795294
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

22 East Broadway, Gardner, Massachusetts 01440-3338
(Address of principal executive offices) (Zip Code)

(508) 630-1800
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes (X) No ( )

The number of shares outstanding of registrant's common stock, par value $.01 per share, at March 29, 1992 was 5,642,626 shares.

PRECISION OPTICS CORPORATION, INC.

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	(a) Exhibits - None	
	(b) Reports on Form 8-K - None	

PRECISION OPTICS CORPORATION, INC.
BALANCE SHEETS

ASSETS

	March 29, 1992 (UNAUDITED)	June 30, 1991 (AUDITED)
CURRENT ASSETS		
Cash and Cash Equivalents	$3,820,948	$1,112,145
Accounts Receivable, Net	1,027,341	899,390
Inventory	717,151	757,209
Prepaid Expenses	98,165	23,338
Total Current Assets	5,663,605	2,792,082
PROPERTY AND EQUIPMENT	1,225,969	1,107,585
Less: Accumulated Depreciation	885,311	836,987
Net Property and Equipment	340,658	270,598
OTHER ASSETS		
Cash Surrender Value of Life Insurance Policies	29,771	29,771
Patents	60,055	36,026
Deferred Financing Costs, Net	4,719	6,172
Total Other Assets	94,545	71,969
TOTAL ASSETS	$6,098,808	$3,134,649

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES		
Loan Payable	$ --	$ 185,430
Accounts Payable	548,399	645,427
Accrued Expenses and Other Liabilities	148,813	195,632
Current Portion of Long-Term Debt	--	45,015
Total Current Liabilities	697,212	1,071,504
LONG-TERM DEBT	--	230,593
DEFERRED TAXES	10,000	33,000
STOCKHOLDERS' EQUITY		
Common Stock, $.01 par value- Authorized -- 10,000,000 shares Issued and Outstanding -- 5,642,626 at March 29, 1992 and 4,377,047 at June 30, 1991.	56,425	43,770
Paid in Capital	5,017,839	1,435,231
Retained Earnings	317,332	320,551
Total Stockholders' Equity	5,391,596	1,799,552
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$6,098,808	$3,134,649

PRECISION OPTICS CORPORATION, INC.
STATEMENTS OF INCOME
FOR THE THIRD QUARTER AND FOR THE NINE MONTHS ENDED MARCH 29, 1992 AND 1991

	THIRD QUARTER		NINE MONTHS	
	1992 (UNAUDITED)	1991 (UNAUDITED)	1992 (UNAUDITED)	1991 (UNAUDITED)
REVENUES	$1,374,586	$1,314,657	$4,471,434	$2,952,196
COST OF GOODS SOLD	927,397	1,074,012	3,341,352	2,321,492
Gross Profit	447,189	240,645	1,130,082	630,704
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	575,414	199,701	1,201,226	493,669
Operating Income (Loss)	(128,225)	40,944	(71,144)	137,035
INTEREST EXPENSE	(6,297)	(19,839)	(31,486)	(63,417)
INTEREST INCOME	45,306	27,744	68,948	41,886
Income (Loss) Before Taxes	(89,216)	48,849	(33,682)	115,504
PROVISION FOR/(BENEFIT FROM) INCOME TAXES	(46,463)	13,817	(30,463)	34,784
Net Income (Loss)	$ (42,753	$ 35,032	$ (3,219)	$ 80,720
PRIMARY EARNINGS (LOSS) PER SHARE	$ (0.01)	$ 0.01	$ (0.00)	$ 0.02
WEIGHTED AVERAGE SHARES OUTSTANDING	5,279,226	5,009,829	4,692,799	3,860,653

PRECISION OPTICS CORPORATION, INC.
STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED
MARCH 29, 1992 AND 1991

	1992 (UNAUDITED)	1991 (UNAUDITED)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss)	$ (3,219)	$ 80,720
Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operations-		
Depreciation and Amortization	50,047	39,382
Changes in Assets and Liabilities-		
Accounts Receivable	(127,951)	(277,750)
Inventory	40,058	(49,234)
Prepaid Expenses	(74,827)	(33,132)
Deferred Costs	--	136,310
Other Assets	(24,299)	(10,121)
Accounts Payable	(97,028)	241,226
Accrued Expenses and Other Liabilities	(69,819)	(110,940)
Net Cash Provided (Used) by Operating Activities	(307,038)	16,461
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital Expenditures	(118,384)	(109,918)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of Subordinated Debt	--	(206,730)
Repayment of Loan Payable	(185,430)	--
Repayment of Long-Term Debt	(275,608)	(29,468)
Proceeds Received from Sale of Stock	3,595,263	1,455,690
Net Cash Provided By Financing Activities	3,134,225	1,219,492
NET INCREASE IN CASH	2,708,803	1,126,035
CASH AT BEGINNING OF PERIOD	1,112,145	36,687
CASH AT END OF PERIOD	$3,820,948	$1,162,722
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash Paid for-		
Interest	$ 32,788	$ 63,417
Taxes	$ 89,250	$ 42,492

PRECISION OPTICS CORPORATION, INC.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared by the Company, without audit, and reflect all normal adjustments which, in the opinion of management, are necessary for a fair statement of the results of the third quarter and the first nine months, respectively, of the Company's fiscal year 1992. These financial statements do not include all disclosures associated with annual financial statements and, accordingly, should be read in conjunction with footnotes contained in the Company's financial statements for the period ended June 30, 1991 together with the auditors' report filed under cover of the Company's 1991 Annual Report on Form 10-K.

Earnings per share is computed based on the weighted average number of common and common equivalent shares outstanding, where dilutive, during each period. The difference between the average number of shares under the primary and fully diluted calculations is immaterial, and therefore fully diluted Earnings Per Share and Weighted Average Shares Outstanding have not been disclosed in the accompanying financial statements.

2. INVENTORIES

Inventories are stated at the lower of cost (first-in, first-out) or market. The components of inventories were as follows:

	March 29, 1992	June 30, 1991
Raw Materials:	$307,793	$523,781
Work-in process:	227,925	154,474
Finished goods and components:	181,433	78,954
Total Inventories:	$717,151	$757,209

3. PUBLIC OFFERING

The Company completed a public offering of 1,176,250 shares of common stock during the quarter ended March 29, 1992 at $3.375 per share gross proceeds to the Company, net of $0.375 per share discount to selling brokers. Gross proceeds to the Company were $3,969,844 and net proceeds were approximately $3,589,000.

4. EXERCISE OF WARRANTS

The holders of warrants for the purchase of 120,000 and 67,501 shares, respectively, of the Company's common stock have requested, pursuant to such warrants, that the Company file a registration statement covering such shares under the Securities Act of 1933, as amended. The exercise price for the shares covered by such warrants is $1.50 per share. The Company may defer the filing of the registration of the 120,000 shares, under certain circumstances, for a period of not more than 180 days after January 14, 1992, and may defer the filing of the 67,501 shares, under certain circumstances, for a period of not more than 180 days after February 24, 1992.

PRECISION OPTICS CORPORATION, INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Operating Results

Total revenues for the third quarter and for the first nine months ended March 29, 1992 increased by $59,929, or 4.6%, and $1,519,238, or 51.5%, respectively, over the same periods in the prior year.

Medical Products revenues increased by 100% for the quarter and by 128% year to date resulting mainly from sales of laparoscopic products and a specialty medical product which the Company designed, developed, and brought into full-scale production under contract for one of its customers. Revenues from Advanced Optical Design and Development Services and Products decreased by 44% for the quarter, but increased by 13% year to date. The decrease in the current quarter was due primarily to a major night vision contract which had large-quantity early delivery requirements and has low-quantity delivery requirements as it nears completion.

Gross profit for the quarter and year to date increased by $206,544, or 85.8%, and $499,378, or 79.2% respectively. Approximately $66,000 and $119,000 respectively of these increases is attributable to reclassification of a department from overhead to selling, general, and administrative expense to more accurately depict current department functions. The balance of the respective increases is attributable to a favorable shift in sales mix to medical products which have higher gross margins, and to higher overall sales.

Selling, general, and administrative expenses, in addition to the above reclassification, increased by $309,713, or 155% for the quarter and by $588,557, or 119%, year to date. The increase was due primarily to several factors: research and development costs increased for medical product development and improvement (see Liquidity and Capital Resources below); higher advertising and promotional expenses were incurred to begin a major selling and promotional campaign; higher legal, accounting, and administrative costs were incurred as a result of being a publicly held company; and higher bad debt losses were incurred (due primarily to a customer bankruptcy).

Interest expense decreased by $13,542 for the quarter and by $31,931 year to date as a result of the retirement of the Company's bank loan and long term debt.

Interest income increased by $17,562 during the quarter and by $27,062 year to date, reflecting the higher investment base of cash equivalents attributable to the proceeds of the public offering.

Liquidity and Capital Resources

For the nine months ended March 29, 1992, the Company's cash and cash equivalents increased by $2,709,000 to $3,821,000. The increase in cash and cash equivalents was due to receipt of net proceeds of approximately $3,589,000 from a public offering of common stock and $6,000 from exercise of stock options, partially offset by cash used by operating activities ($307,000), capital expenditures ($118,000) and repayment of all outstanding short and long-term debt ($461,000).

The Company has significantly increased its internally-funded research and development spending on new medical products and on the improvement of existing products, from $24,000 for the third quarter and $40,000 year to date in fiscal year 1991, to $63,000 for the third quarter and $220,000 year to date in fiscal year 1992. The Company intends to continue devoting significant resources to the marketing and product support of its new endoscope product line and to the development of new methods of distribution. Furthermore, depending upon the market acceptance of the new product line, the Company believes that it may have to acquire new facilities, add additional manufacturing or research and development equipment, or acquire a business that manufactures or sells to the Company components, materials, supplies, or services used in the manufacture, marketing, distribution, or servicing of these new products, as well as the Company's existing products. The Company plans to expend a significant portion of its present cash and cash equivalents to accomplish these ends. These efforts are expected to result in negative cash flow from operating activities during the balance of fiscal year 1992 and into fiscal year 1993, until the results of these efforts translate into increased sales and profits.

The Company continues to maintain a secured line of credit of $500,000 available with a bank at 1/4% over the prime rate.

The Company's cash and cash equivalents and available lines of credit are considered sufficient to support working capital and investment needs for the foreseeable future.

PART II. OTHER INFORMATION

Items 1-5 Not Applicable.

Item 6 Exhibits and Reports on Form 8-K

(a) Exhibits - None

(b) Reports on Form 8-K - There were no reports on Form 8-K filed during the period covered by this report.

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PRECISION OPTICS CORPORATION

DATE: May 5, 1992

BY:

Jack P. Dreimiller
Senior Vice President, Finance
and Chief Financial Officer

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SECURITIES AND EXCHANGE COMMISSION

WASHINGTON D.C. 20549

W92-2231

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15 (D)
OF THE SECURITIES EXCHANGE ACT OF 1934

For Quarter ended March 31, 1992 Commission File Number 0-4968

ROBESON INDUSTRIES CORP.
Exact Name of Registrant as specified in its charter.

Delaware (State or other jurisdiction of incorporation or organization)	13-2588696 (I.R.S. Employer Identification No.)
4041D Hadley Road South Plainfield, NJ (Address of principal executive offices)	07080 (Zip Code)

Registrant's telephone number, including area code 908-756-2001

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days, X Yes __ No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the close of the period covered by this report.

CLASS	Outstanding at March 31, 1992
Common stock $.10 par value.	2,422,175 shares

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ROBESON INDUSTRIES CORP. AND SUBSIDIARIES

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ROBESON INDUSTRIES CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(Note 1)

ASSETS

	MARCH 31, 1992 (Unaudited)	DECEMBER 31, 1991
Current Assets		
Cash	$ 115,529	$ 134,388
Accounts receivable (less allowance of $32,217) (Note 2)	2,194,269	345,187
Inventories	76,002	100,410
Prepaid expenses	58,616	48,162
Total current assets	2,444,416	628,747
Property, plant and equipment at cost, less accumulated depreciation and amortization $ 1,697,688 and $1,668,113; respectively (Note 2)	216,609	234,185
Other assets	62,850	52,740
	$ 2,723,875	$ 915,672

See accompanying notes

ROBESON INDUSTRIES CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

LIABILITIES AND STOCKHOLDERS' EQUITY

	MARCH 31, 1992 (Unaudited)	DECEMBER 31, 1991
Current Liabilities:		
Borrowings (Note 2)	$ 0	$ 28,394
Accounts payable and accrued liabilities	6,896,354	6,156,215
Notes Payable	200,000	
Current portion of capital lease	10,204	12,468
Total current liabilities	7,106,558	6,197,077
Long term portion of capital lease	15,474	15,474
Total liabilities	7,122,032	6,212,551
Stockholders' equity: (Note 3 and 4)		
Common stock - $.10 par value Authorized - 10,000,000 shares, issued - 3,443,157 and 2,565,062, respectively; outstanding 3,433,175 and 2,555,080, respectively.	344,316	256,506
Additional paid-in capital	10,307,090	9,692,423
Accumulated deficit	(15,044,700)	(15,240,945)
	(4,393,294)	(5,292,016)
Less: Treasury stock, at cost (9,982 shares)	4,863	4,863
Total stockholders' equity	(4,398,157)	(5,296,879)
	$ 2,723,875	$ 915,672

See accompanying notes

ROBESON INDUSTRIES CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE THREE MONTHS ENDED MARCH 31, 1992 AND MARCH 31, 1991

(Unaudited)

	1992	1991
Net sales	$ 5,591,475	$ 3,569,605
Cost of sales	4,799,465	2,799,790
Gross profit	792,010	769,815
Less, Pride Joint Venture Income	72,389	
	719,621	769,815
Selling, general and administrative expense	683,230	853,862
	36,391	(84,047)
Interest expense	12,753	33,293
Profit (loss) before provision for income taxes	23,638	(117,340)
Provision for income taxes	7,091	0
Net profit (loss) before extraordinary credit	16,547	(117,340)
Extraordinary credit (Note 4)	179,698	0
Net income	$ 196,245	$ (117,340)
Earnings per share		
Income before extraordinary credit	$ .01	$ (.05)
Extraordinary credit	.06	.00
Net income per share	$ .07	$ (.05)
Weighted average number of shares outstanding	2,815,614	2,555,000
Cash dividends	NONE	NONE

See accompanying notes

ROBESON INDUSTRIES CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOW

FOR THE THREE MONTHS ENDED MARCH 31, 1992 AND MARCH 31, 1991

(Unaudited)

	1992	1991
OPERATING ACTIVITIES:		
Net Profit	$ 196,245	$ (117,340)
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	29,576	49,685
Gain on foregiveness of debt	(172,607)	
Changes in operating assets and liabilities:		
(Increase)decrease in account receivable	(1,849,082)	773,201
Decrease (increase) in inventories	24,408	(16,514)
(Increase)decrease in prepaid expenses	(10,454)	232,144
(Increase) decrease in other assets	(10,110)	21,276
Increase(decrease) in accounts payable and accrued liabilities	912,746	(957,231)
Net cash provided by (used in) operating activities	(879,278)	(14,779)
INVESTING ACTIVITIES:		
Additions to property, plant and equipment, net	(12,000)	
FINANCING ACTIVITIES:		
(Payment of) increase in borrowings	(28,394)	29,653
Payment of capital lease obligations	(2,264)	
Proceeds from issurance of convertible debentures	200,000	
Proceeds from issurance of common stock	702,477	
Net cash provided by financing activities	871,819	29,653
(Decrease) increase in cash	(19,459)	14,874
Cash at December 31, 1991 and December 31, 1990; respectively	134,988	44,384
Cash at March 31,1992 and March 31, 1991; respectively	$ 115,529	$ 59,258

See accompanying notes

ROBESON INDUSTRIES CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. UNAUDITED STATEMENTS

The accompanying unaudited consolidated financial statements have been prepared by the Company in accordance with generally accepted accounting principles, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements have been condensed or omitted pursuant to such rules and regulations although management believes that the disclosures are adequate to make the information presented not misleading. In the opinion of management, the accompanying financial statements contain all adjustments necessary to present a fair statement of the results for the interim periods presented. It is suggested that these financial statements be read in conjunction with the financial statements and notes thereto included in the Company's Annual Report to Stockholders for the transition period February 23, 1991 to December 31, 1991.

The three months ended March 31, 1992 and March 31, 1991 consist of 13 weeks.

2. LINE OF CREDIT

The company was party to a number of agreements with Congress Financial Corporation ("Congress") which, together, provided for direct short-term borrowing under a revolving credit line and the financing of letters of credit up to a aggregate of $3,000,000 based on accounts receivable and inventory levels (the "Financing Agreements"). The Financing Agreements have expired and the Company is currently seeking to arrange new sources of domestic financing. All the Company's overseas shipments are financed through letters of credit issued by Hang Seng Bank in Hong Kong upon transferable letters of credit issued by its customers.

3. ACCUMULATED DEFICIT

Changes in accumulated deficit are as follows:

Accumulated deficit at December 31, 1991	$ (15,240,945)
Net profit	196,245
Accumulated deficit at March 31, 1992	$ (15,044,700)

4. EXTRAORDINARY CREDIT

On January 14, 1992, the Company entered into agreements with two parties with an ownership interest in a significant shareholder of the Company, whereby the Company issued a total of $200,000 in convertible notes payable due October 1, 1992 and bearing interest at a rate of 10% per annum. These notes are convertible at a rate of $.80 per share. Utilizing proceeds from the convertible notes, the Company paid $90,191 to certain creditors in March 1992 in full settlement of $262,798 of obligations resulting in an extraordinary gain of $172,607. At the same time certain Class III creditors converted approximately $702,476 of claims to common stock at $.80 per share in accordance with the terms of the original settlement agreement. In addition, $7,091 was realized from the tax benefit utilization of operating loss carryforward.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

A. Liquidity and Capital Resources

In the three months ended March 31, 1992, the Company had an accumulated working capital deficit which approximated $4,660,000. For the transition period from February 23, 1991 to December 31, 1991, the Company's working capital deficit approximated $5,568,000. The decrease in the working capital deficit was a result of the net income earned in the three month period, and the conversion of approximately $702,476 of trade debt to common stock (see note 4).

In December 1989, as a result of continuing operating losses and the general deterioration of the Company's financial condition, Congress Financial Corporation ("Congress),the Company's factor, commenced a program of severely restricting its advances to the Company. Any advances were limited to the amounts which were absolutely essential to the continuation of the Company's business, but were restricted for the purpose of enabling the Company to pay only current trade obligations.

As of February 28, 1992, the Company had repaid to Congress all amounts owed to Congress under the Agreements and the Company's financing Agreements with Congress expired without extension. The Company is currently seeking to arrange new sources of domestic financing.

In February 1990, the Company called a meeting of its 26 largest unsecured creditors. Such creditors have since formed an "Unofficial Creditors Committee of Robeson Industries Corp." (the "Committee"). The purpose of the Committee was to work with the Company to formulate a settlement plan for its outstanding trade debt. Such a settlement plan has been offered to and accepted by Robeson's Trade creditors. In March 1992 cash and stock was issued to creditors in partial settlement of certain creditors claims. There can be no assurance that the plan to settle the Company's debts with its creditors can be totally implemented. See "Managements Discussion and Analysis of Financial Condition and Results of Operations--Subsequent Events."

On January 14, 1992, the Company entered into agreements with two parties related to a significant shareholder of the Company, whereby the Company issued a total of $200,000 in convertible notes payable due October 1, 1992 and bearing interest at a rate of 10% per annum. These notes are convertible into the Company's common stock at a rate of $.80 per share. In addition, the Company issued to each of the noteholders a warrant to purchase 12,500 additional shares of common stock at an exercise price of $.80 per share. These warrants expire January 2, 1995.

B. Results of Operations

As a result of the Company's operating losses during fiscal 1990 and prior thereto, the Company adopted and implemented a plan to restructure its operations. In connection with the restructuring, which is ongoing, the Company ceased operations at its domestic manufacturing facility in February 1990. The Company now focuses solely on the marketing and sale of products produced by subcontractors in the United States or abroad against direct orders from customers.

The Company experienced an operating profit of $196,245 for the three month period ended March 31, 1992 and an operating loss of $(117,340) for the comparable three month period ended March 31, 1991.

The Company imports a significant amount of its products from Hong Kong, Taiwan, and China and, therefore, is subject to currency fluctuations. To the extent that production comes from foreign countries, costs may be effected by currency fluctuations.

The Company believes that inflation has not had a significant impact on its operations.

Sales

Sales increased 56.6% for the three months ended March 31, 1992 to $5.6 million from sales of $3.6 million for the three months ended March 31, 1991.

The increase in sales for the three month period ended March 31, 1992 as compared to the same period in 1991 was a result of an unusually warm winter causing earlier shipments of domestic fans.

Gross Profit

The gross profit was $.7 million (13.0% of sales) for the three months ended March 31, 1992, compared to a gross profit of $.8 million (21.6% of sales) for the three months ended March 31, 1991.

The decrease in gross profit as a percentage of sales for the three month period ended March 31, 1992 was a result of credits to cost of sales during the fourth quarter of the Company's fiscal year ending February 22, 1991. The Company has since changed to a calendar year ending in December.

Joint Venture Income

In August 1991, the Company entered into a Joint Venture agreement with Pride Products Inc. to manufacture seasonal products for the company for a period of five years. Pride Products Inc. and the Company agreed to share equally the profits from the future sale of these products by the Company. Pride Products Inc.'s share of the profits for the three months ending March 31, 1992 was $72,389.

Selling, General and Administrative Expenses

Selling, general and administrative expenses of $.7 million (12.2% of sales) for the three months ended March 31, 1992 was compared to the selling, general and administrative expenses of $.9 million (23.9% of sales) for the same period ended March 31, 1991.

The decrease in selling, general and administrative expenses was attributable to a decrease in payroll and payroll related expenses, travel and entertainment and other administrative costs in connection with the Company's continuing restructuring which commenced in November 1989.

Interest Expense

Interest expense in the three months ended March 31, 1992 was $12,800, as compared to $33,300 for the same period ended March 31, 1991. The decrease was a result of reduced borrowing levels required to finance lower inventories and arrangements with the Company's domestic manufacturer to be paid only after collection of the Company's receivables.

Possible Future Events

Settlement Proposal

As at February 6, 1990, a total of approximately $3,700,000 was due and owing to creditors of the Company for goods sold and delivered, freight charges, professional fees and miscellaneous types of liabilities which remain unpaid (the "Trade Debt") and which are the subject of a settlement proposal (the "Settlement Proposal") which was originally offered on August 21, 1990 to creditors to whom the Trade Debt is owed.

Breakdown of Trade Debt

The Trade Debt as of February 6, 1990, of approximately $3,700,000 was owed to some 368 creditors. As of such date, approximately 264 creditors held claims under $5,000 aggregating $300,000 (the "Class I Creditors"); approximately 85 creditors held claims between $5,000 and $39,000 aggregating $1,300,000 (the "Class II Creditors"); and approximately 19 creditors held claims in excess of $39,000 aggregating $2,100,000 (the "Class III Creditors").

Original Settlement Proposal

The following is the original Settlement Proposal with respect to each class:

Class I

Robeson offered to pay to Class I Creditors 30% of their claims in cash on the date on the later of October 1, 1990 or the closing of a contemplated stock purchase agreement with a potential investor (the "Settlement Date").

Class II

Robeson offered to pay to Class II Creditors either (i) 25% of their claims on the Settlement Date or (ii) 16.667% of their claims on May 15, 1991, and thereafter 4.167% of their claims on the 15th day (or the next business day if the 15th falls on a weekend or holiday) of the months of August, November, February and May through and including May 15, 1993 (a total of 50% of their claims) and on May 15 (or the next business day if May 15 falls on a weekend) of calendar years 1992 through and including 1997, their pro rata share* of 15% of Robeson's pre-tax profits annually for the respective fiscal years ending February 1992, 1993, and 1994** and 20% of Robeson's pre-tax profits annually for fiscal years ending February 1995, 1996, and 1997.

Class III

Class III Creditors were offered (i) the same alternatives available for Class II Creditors for all or a portion of their claims or (ii) the opportunity to convert all or a portion of their claims into Robeson common stock at approximately $.80 per share.

Any newly issued shares will be unregistered and, therefore, not freely tradeable. However, Robeson has agreed to register such shares and make them freely tradeable within one year from the Settlement Date.

The deadline for responses to the Settlement Proposal was October 31, 1990. The Settlement Proposal provided that such Settlement Proposal provided would be implemented only upon receipt of acceptances thereof from at least eightyfive percent (85%) in total dollar amount of the Class I, Class II and Class III Creditors. As of November 1, 1990, responses had been received from creditors holding approximately $3,300,000 of the Trade Debt. Accordingly, more than eighty-five percent (85%) in total dollar amount of the Class I, Class II, and Class III Creditors have accepted the Settlement Proposal. As the Company has been unable to generate sufficient cash which can be allocated to payments pursuant to the Settlement Proposal, the Company has not fully implemented the Settlement Proposal.

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* A creditor's pro rata share shall be determined by the ratio of the individual creditor's claim to that of the total of all Trade Debt, including claims in Classes I, II, and III.

** Since making the Settlement Proposal, Robeson has changed its fiscal year-end to December 31.

Alternative Settlement Plan

As a result of the Company's inability to implement the Settlement Proposal, the Company and the Unofficial Creditors Committee have discussed an alternative settlement plan. The plan contemplates payments to creditors out of an escrow to be funded with deposits equal to 25% of quarterly profits. Minimum annual deposits will be $250,000 to be generated from operations and the implementation of cost cutting measures . In addition:

1. Class I Creditors who accepted the original Settlement Proposal were paid 30% of their claims without interest during March 1992. Approximately $260,000 in claims were settled.

2. The Company will make quarterly payments into an escrow account under the control of Paul, Hastings, Janofsky & Walker, counsel to the Company, equal to 25% of the Company's quarterly profits with a minimum cash deposit of $250,000 per year.

3. Class II Creditors who elected to take 25% of their claims in cash will be paid, as soon as possible on a quarterly basis out of the funds deposited in escrow, 25% of their claims with interest from May 1, 1991 at 10% per annum.

4. Class II and Class III Creditors who elected to take 50% of their claims in cash over time will be paid 50% of their claims with interest at 10% per annum from May 1, 1991 as soon as possible out of funds deposited in escrow once the Class I Creditors and the 25% Class II Creditors have been paid in full.

5. In March 1992, Class III Creditors who elected to convert all or a portion of their claims into common stock received Common Stock at a conversion price of $.80 per share . Approximately $700,000 in claims were converted to common stock.

6. A quarterly accountant's review of the Company's finances will be done by accountants for the creditors.

7. In the event there is an equity investment in the Company, no cash will be paid to existing shareholders before creditors have been paid off nor will there be a merger, recapitalization or sale involving the Company.

8. Stock to be issued to the creditors pursuant to the settlement will be registered no later than May 1, 1993.

9. A letter was sent during March 1992 to creditors giving a status report on the Company's business and finances and advising them of the means by which the Settlement Proposal will be implemented.

10. Creditors will have the right to have a representative appear and be heard at board meetings so long as the same representative appears regularly and has signed an appropriate confidentiality agreement.

Discussions with the creditors regarding this alternative plan are continuing. There can be no assurance that this or any alternative plan will be acceptable to the creditors.

PART II. OTHER INFORMATION

ITEM 6 EXHIBITS AND REPORTS ON FORM 8-K

(b) The Company filed a report on 8-K on January 15, 1992 which is incorporated by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ROBESON INDUSTRIES CORP.
(registrant)

Date: May 12, 1992

John J. Raab
President and
Chief Financial Officer

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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

QUARTERLY REPORT UNDER SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter ended January 31, 1992	Commission File No. 000-18055

SEVEN FIELDS DEVELOPMENT CORPORATION

PENNSYLVANIA	25-1561828
State of Incorporation	I.R.S. Employer Identification No.

103 Brookside Lane
Mars, PA 16046
(Address of principal executive office with Zip Code)

(412) 776-5070
(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Sections 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes XX No ____

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13, or 15 (d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes XX No ____

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding as of January 31, 1992
Common Stock $1.00 par value	3,506,083

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SEVEN FIELDS DEVELOPMENT CORPORATION

Form 10-Q

January 31, 1992

PART I - Financial Information

The following financial information is provided in response to Items 1 and 2 of Form 10-Q.

Item 1 - Financial Statements

O'Connor, Greenblatt & Company

Certified Public Accountants

SEWICKLEY OFFICE
806 Osborne Plaza
1108 Ohio River Boulevard
Sewickley, PA 15143
(412) 741-2242

NEW BRIGHTON OFFICE
503 8th Street
New Brighton, PA 15066
(412) 843-5180

To the Board of Directors
Seven Fields Development Corporation
Mars, PA

We have compiled the accompanying balance sheets of Seven Fields Development Corporation as of January 31, 1992 and 1991 and for the related statements of operations, deficit, and cash flows for the three months then ended, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The financial statements for the year ended October 31, 1991 were examined by us. Our report dated January 8, 1992 included a description of the many problems which were left unresolved upon the Company's reorganization under Chapter 11 of the Federal Bankruptcy Code. The user of these compiled financial statements should refer to the extensive disclosures contained in that report.

O'Connor, Greenblatt & Company

O'Connor, Greenblatt & Company
Sewickley, PA
March 10, 1992

Members of

American Institute of
Certified Public Accountants

Pennsylvania Institute of
Certified Public Accountants

SEVEN FIELDS DEVELOPMENT CORPORATION
BALANCE SHEETS
AS OF JANUARY 31, 1992 AND OCTOBER 31, 1991

ASSETS

Current Assets	1992	1991
Cash	$ 76,488	$ 64,623
Temporary investments	491,152	442,866
Total Cash & Temporary Investments	$ 567,640	$ 507,489
Cash escrow - horses	$ 151,615	$ 149,692
Restricted cash - development letter of credit	406,500	406,500
Cash restricted by mortgage escrow	68,064	67,245
Accounts and notes receivable, net of allowances of $41,032	97,347	120,535
Capitalized development costs - current	1,253,061	874,829
Capitalized house construction costs, net allowances of $60,000	721,189	595,990
Prepaid expenses and other current assets net of allowances of $10,000	82,308	189,880
Total Current Assets	$ 3,347,724	$ 2,912,160
Property Held For Investment & Future Development	$ 2,071,907	$ 2,433,272
Property, Buildings & Equipment		
Land	$ 468,267	$ 468,267
Buildings	9,696,207	9,696,207
Equipment and furnishings	1,808,697	1,723,003
Total Property, Buildings and Equipment	$ 11,973,171	$ 11,887,477
Accumulated Depreciation	(2,749,397)	(2,583,836)
Total Property, Buildings and Equipment, Net of Accumulated Depreciation	$ 9,223,774	$ 9,303,641
TOTAL ASSETS	$ 14,643,405	$ 14,649,073

LIABILITIES AND SHAREHOLDERS' DEFICIENCY

LIABILITIES

Current Liabilities	1992	1991
Accounts payable and accrued expenses	$ 135,803	$ 175,631
Accrued expenses - estimated cost to complete development Phase I & II	110,530	105,530
Current portion of mortgages payable	879,335	879,335
Customer deposits and advances	26,000	42,555
Total Current Liabilities	$ 1,151,668	$ 1,203,051
Tenant security deposits	$ 190,627	$ 193,885
Less tenant security deposit cash	(190,627)	(193,885)
Long Term Debt	$ 1,733,878	$ 1,744,168
Total Liabilities Before Subordinated Debt	$ 2,885,546	$ 2,947,219
General Unsecured Subordinated Debt	$ 66,615,573	$ 66,615,573
TOTAL LIABILITIES	$ 69,501,119	$ 69,562,792

SHAREHOLDERS' DEFICIENCY

Preferred stock, no par value, 10,000,000 shares authorized and unissued	$ ---	$ ---
Common stock, $1 par value, inseparable from general unsecured debt to shareholders prior to August 25, 1989. 10,000,000 shares authorized 3,506,083 shares issued and outstanding	$ 3,506,083	$ 3,506,083
Shareholder deficit - excess of non-discharged debt over assets on November 7, 1987 (Date of reorganization)	$ (58,229,596)	$ (58,229,596)
Deficit, since November 7, 1987 (Date of reorganization)	$ (134,201)	$ (190,206)
Total Shareholders' Deficiency	$ (54,857,714)	$ (54,913,719)
Total Liabilities and Shareholders' Deficiency	$ 14,643,405	$ 14,649,073

SEVEN FIELDS DEVELOPMENT CORPORATION
STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED JANUARY 31, 1992 AND 1991

Gross Revenue	1992	1991
Apartment rentals	$ 543,679	$ 529,520
Water and sewer revenue	27,827	
Fees & other operating income	8,256	11,033
Total Gross Revenue	$ 579,762	$ 540,553
Sale of developed lots and houses	$ 298,783	$ 194,400
Cost of lot and house sales	217,981	79,954
Gross Profit on Lots and House Sales	$ 80,802	$ 114,446
	$ 660,564	$ 654,999
Operating Expenses	$ 244,685	$ 209,646
General & Administrative Expenses	$ 141,917	$ 111,612
Interest Expense	$ 68,705	$ 77,626
Depreciation Expense	$ 165,561	$ 165,561
Total Expenses	$ 620,868	$ 564,445
Income From Operations	$ 39,696	$ 90,554
Interest Income	$ 16,309	$ 23,855
Income Before Provision for Income Taxes	$ 56,005	$ 114,409
Provision for Income Taxes	$ 9,000	$ 33,803
Income Before Extraordinary Item	$ 47,005	$ 80,606
Extraordinary Item-Utilization of Tax Operating Loss Carryforwards	$ 9,000	$ 33,803
Net Income	$ 56,005	$ 114,409
Earnings Per Common Share; 3,506,083 Shares Outstanding		
Income Before Extraordinary Item	$ .02	$ .02
Extraordinary Item		.01
Net Income	$ .02	$ .03

SEVEN FIELDS DEVELOPMENT CORPORATION
STATEMENT OF OPERATIONS
SCHEDULE OF OPERATING EXPENSES AND
SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE THREE MONTHS ENDED JANUARY 31, 1992 AND 1991

	1992	1991
Operating Expenses		
Payroll, payroll taxes and benefits	$ 44,889	$ 35,600
Repairs & maintenance	33,330	7,371
Utilities	48,843	49,278
Insurance	17,118	17,924
Property taxes	89,380	83,868
Other operating supplies & services	15,127	15,605
	$ 248,687	$ 209,646
Less Costs Capitalized To Development and House Construction	(4,002)	-
Total Operating Expenses	$ 244,685	$ 209,646
General And Administrative Expenses		
Payroll, payroll taxes and benefits	$ 62,409	$ 37,035
Internal management and accounting fees	12,792	$ 3,661
	$ 75,201	$ 40,696
Legal and auditing fees	$ 28,767	$ 48,331
Legal expenses related to litigation described in notes to financial statements	50,812	18,788
Other general and administrative expenses	15,060	$ 21,706
Total General And Administrative Expenses	$ 169,840	$ 129,521
Less Costs Capitalized To Development And House Construction	(27,923)	(17,909)
Total General And Administrative Expenses	$ 141,917	$ 111,612

SEVEN FIELDS DEVELOPMENT CORPORATION
STATEMENT OF DEFICIT
FOR THE THREE MONTHS ENDED
JANUARY 31, 1992 AND 1991

	1992	1991
Post reorganization deficit - beginning	$ (190,206)	$ (798,564)
Net income for the three months	56,005	114,409
Post reorganization deficit - ending	$ (134,201)	$ (684,155)

SEVEN FIELDS DEVELOPMENT CORPORATION
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED JANUARY 31, 1992 AND 1991

Cash Flows From Operating Activities:	1992	1991
Net income (loss)	$ 56,005	$ 114,409
Depreciation	165,561	165,561
Capitalized development costs - current	(457,067)	(30,515)
Capitalized development costs & property held for future development - non current	361,365	
Capitalized house construction cost	(264,345)	(135,974)
Cost of lots and houses sold	217,981	79,954
Cash flows provided by change in current assets & liabilities related to normal operations (see table below)	76,635	217,176
Net Cash From Normal Operating Activities	$ 156,135	$ 410,611
Cash Flows From Investing Activities:		
Additions to property, buildings and equipment	$ (85,694)	$ (83,647)
Cash Flows From Financing Activities:		
Repayment of mortgages payable	$ (10,290)	$ (10,370)
Net Increase In Cash And Temporary Investments	$ 60,151	$ 316,594
Cash & Temporary Investments, Beginning of Period	$ 507,489	$ 816,817
Cash & Temporary Investments, End of Period	$ 567,640	$ 1,133,411

SEVEN FIELDS DEVELOPMENT CORPORATION
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED JANUARY 31, 1992 AND 1991
(CONTINUED)

Cash Flows From Changes in Current Assets and Liabilities	1992	1991
Restricted cash	$ (2,742)	$ (2,284)
Accounts receivable pre-reorganization		99,291
Accounts and notes receivable	23,188	18,692
Prepaid expenses and other current assets	107,572	98,275
Accounts payable and accrued expenses	(39,828)	7,402
Accrued expenses - estimated cost to complete development and Phase I & II	5,000	
Customer deposits and advances	(16,555)	(4,200)
Total Cash Flows From (Used For) Changes in Current Assets and Liabilities	$ 76,635	$ 217,176
Total Interest Paid and Included in Net Income (Loss) for Operating Activities Above	$ 68,705	$ 77,626

SEVEN FIELDS DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE THREE MONTHS
ENDED JANUARY 31, 1992 AND 1991

Basis of Presentation

The financial statements included herein have been prepared by the registrant, without audit, for filing with the Securities and Exchange Commission pursuant to the rules and regulations with said commission. The financial information presented herein, while not necessarily indicative of results to be expected for the year, reflects all adjustments which in the opinion of the registrant are necessary for the fair statement of the results for the periods indicated. This financial information should be read in conjunction with the financial statements and notes thereto included in the registrant's Annual Report for the years ended October 31, 1991, 1990 and 1989.

Part I - Item 2

Management Discussion and Analysis of Financial Condition and Results of Operations

The financial condition of the Corporation has continued to improve.

Results of Operations

Demand for rental units continues to be strong as demonstrated by occupancy rates in excess of 90%. Additional gross revenue of approximately $28,000 was generated by two months of water and sewer billings during the quarter.

To date, 41 of the 94 lots in Phases I and II have been sold. In this quarter, five lots and one house were sold for a gross profit of approximately $80,000.

Operating expenses increased in the quarter due to the new water and sewer activity and due to increased repair projects in the Seven Fields Apartments. Internal management and accounting fees also increased for the same reasons. General and administrative payroll costs increased primarily due to the addition of management personnel.

The Corporation continues to incur substantial legal expenses. These expenses are expected to continue until litigation against predecessors and principals of predecessors is resolved.

A net income of $56,005 was generated for the quarter compared with $114,409 a year earlier as a result of the items indicated above. The Corporation's cash increased during the quarter primarily due to the home and lot sales.

Currently eight homes are under construction of which two are model homes, two are pre-sold homes, and four are available for sale. Management anticipates building fifteen additional houses by the end of the year.

Slated for sale in the Spring of 1992 is the next phase of development, Brandywine Woods. A 75 lot subdivision, Brandywine Woods lots are expected to sell in the range of $32,900 to $39,900 each.

Management anticipates the sale of the Virginia Manor Apartments, currently under agreement of sale, to occur in the spring of 1992. As previously stated, a distribution to noteholders will be made from the proceeds of the sale.

Part II - Item 1 Legal Proceedings

No significant legal changes have occurred from those described in Item 3 of the Corporation's Form 10-K for the period ended October 31, 1991.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Seven Fields Development Corporation

Date: 3-11-92 By: Paul Voytik
Paul Voytik, President

Date: 3-11-92 By: George K. Wright
George K. Wright, Vice President

THIS SECTION CONTAINS REPORTS FOR 2 DIFFERENT COMPANIES

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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934

For Quarter Ended September 30, 1991

Commission File Number 33-16820-D

TRAVIS INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

Colorado	84-1063149
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2121 South 7th Street, Council Bluffs, Iowa	51501
(Address of principal executive offices)	(Zip Code)

(619) 597-0263
(Registrant's telephone number, including area code)

Former Address: 11620 Sorrento Valley Road, Suite A
San Diego, CA 92101
(Former name, former address and former fiscal year if changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ✓ No __

As of September 30, 1991, Registrant had 173,243,500 shares of common stock, $.0001 Par Value, outstanding.

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:10Q-9-91

TRAVIS INDUSTRIES, INC.
BALANCE SHEET

	9-30-91	3-31-91
	(Unaudited)	
ASSETS		
CURRENT ASSETS		
CASH	1,072	14,941
A/R	116,177	28,673
INVENTORY	16,043	12,652
PPD EXPENSES	2,282	3,606
RELATED PARTY A/R	7,671	12,789
TOTAL CURRENT ASSETS	143,245	72,660
PROPERTY & EQUIP (NET)	158,732	37,492
INVESTMENTS - LAND	54,186	54,186
NOTES RECEIVABLE	10,000	10,000
SECURITY DEPOSITS	8,308	8,308
DEFERRED FRANCHISE COST	43,704	52,307
TRADEMARKS LESS AMORT	2,911	3,515
TOTAL ASSETS	421,086	238,468

TRAVIS INDUSTRIES, INC.
BALANCE SHEET

	9-30-91 (Unaudited)	3-31-91
LIABILITIES AND STOCKHOLDERS DEFICIT		
CURRENT LIABILITIES		
A/P	185,896	102,640
ACCR P/R & P/R TAXES	13,854	15,478
ACCR CORP FRANCH TAXES	600	600
OTHER ACCRUALS	4,200	0
CUSTOMER DEP	18,502	32,967
TOTAL CURRENT LIABILITES	223,053	151,685
N/P	294,000	0
TOTAL LIBILITIES	517,053	151,685
REDEEMABLE PREFERRED STOCK - $.0001 PAR VALUE, 100,000,000 AUTHORIZED, SERIES A, 20,706,960 SHARES ISSUED AT 3-31-91 AND 10,000,000 SHARES ISSUED AT 3-31-90	517,674	517,674
SERIES B, 28,400,000 SHARES ISSURD AT 3-31-91	710,000	710,000
COMMON STOCKHOLDERS DEFICIT:		
COMMON STOCK - $.0001: 300,000,000 AUTHORIZED; 173,243,500 ISSUED AND OUTSTANDING	17,324	17,324
ADDITIONAL PAID IN CAP	158,187	158,187
DEFICIT	(1,499,153)	(1,316,402)
TOTAL COMMON STOCKHOLDERS DEFICIT	(1,323,642)	(1,140,891)
TOTAL COMMON STOCKHOLDERS EQUITY	(95,968)	86,783
	421,085	238,468

TRAVIS INDUSTRIES, INC.
STATEMENT OF OPERATIONS
(UNAUDITED)

	3 MONTHS ENDING 9-30-91	3 MONTHS ENDING 9-30-90	6 MONTHS ENDING 9-30-91	6 MONTHS ENDING 9-30-90
SALES	317,222	349,413	722,177	777,919
COST OF SALES	(272,149)	(349,536)	(582,582)	(718,735)
GROSS PROFIT	45,073	(123)	139,595	59,184
SELLING EXPENSE	(82,936)	(12,220)	(135,282)	(19,195)
G & A EXPENSE	(119,466)	(55,934)	(186,520)	(142,676)
OPERATING INCOME (LOSS)	(157,328)	(68,277)	(182,207)	(102,687)
OTHER INCOME (EXPENSE): INTEREST EXPENSE	(250)	0	(544)	(3,219)
OPERATING LOSS	(157,579)	(68,277)	(182,751)	(105,906)
INCOME TAXES	0	0	0	0
PREVIOUS YEAR LOSS	0	0	0	(3,040)
NET INCOME (LOSS)	(157,579)	(68,277)	(182,751)	(108,946)
NET INCOME (LOSS) PER COMMON SHARE	nil	nil	nil	nil

TRAVIS INDUSTRIES, INC.
STATEMENT OF STOCKHOLDERS' DEFICIT
(UNAUDITED)
MARCH 31, 1991 THROUGH SEPTEMBER 30, 1991

	COMMON STOCK		ADDITIONAL		
	NUMBER OF SHARES	AMOUNT	PAID IN CAPITAL	DEFICIT	TOTAL
BALANCE AS OF MARCH 31, 1991	173,243,500	$17,324	$158,187	($1,316,402)	($1,140,891)
NET LOSS FOR PERIOD ENDING SEPTEMBER 30, 1991				($182,751)	($182,751)
PREFERRED STOCK DIVIDEND PROVISION					
STOCK ISSUANCE, NET					
BALANCE AT SEPTEMBER 30, 1991	173,243,500	$17,324	$158,187	($1,499,153)	($1,323,642)

TRAVIS INDUSTRIES, INC.
STATEMENT OF CASH FLOWS
(UNAUDITED)

	6 MONTHS ENDING 9-30-91	6 MONTHS ENDING 9-30-90
CASH FLOWS FROM OPERATING ACTIVITIES	(182,751)	(108,946)
ADJUSTMENT TO RECONCILE NET (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES:		
DEPRECIATION AND AMORTIZATION	14,417	0
(INCREASE) DECREASE IN PREPAID EXPENSE	1,324	1,871
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	83,257	8,060
INCREASE (DECREASE) IN ACCRUED EXPENSES	2,576	(8,832)
INCREASE (DECREASE) IN CUSTOMER DEPOSITS	(14,465)	(28,406)
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	(82,386)	(25,705)
(INCREASE) DECREASE IN INVENTORY	(3,391)	0
NET CASH USED IN OPERATING ACTIVITIES	(181,419)	(161,958)
CASH FLOWS FROM INVESTING ACTIVITIES		
TRADEMARK COST	0	0
DEFERRED FRANCHISE COST	0	(100)
SECURITY DEPOSITS	0	0
PURCHASE OF INVESTMENTS	0	0
PURCHASE OF EQUIPMENT/IMPROVEMENTS	(126,449)	(1,711)
NET CASH PROVIDED (USED) IN INVESTING ACTIVITIES	(126,449)	(1,811)
CASH FLOWS FROM FINANCING ACTIVITIES		
LOAN FROM BANKS	0	0
ISSUANCE OF STOCK	0	0
CONTRACT PAYABLE	0	(11,341)
NOTE PAYABLE	294,000	177,000
NET CASH PROVIDED BY FINANCING ACTIVITIES	294,000	165,659
INCREASE (DECREASE) IN CASH	(13,869)	1,890
CASH, BEGINNING OF YEAR	14,941	(11,408)
CASH, END OF PERIOD	1,073	(9,518)

TRAVIS INDUSTRIES, INC.
NOTES TO UNAUDITED FINANCIAL STATEMENTS

September 30, 1991 and the Six Month Period Ended September 30th, 1991 and 1990.

1. Basis of Presentation

The interim financial statements at September 30, 1991 and September 30, 1990 are unaudited, but include all adjustments the Company considers necessary for a fair presentation of the Company's financial position as of that date. The March 31, 1991 and 1990 balance sheets were derived from the Company's audited financial statements.

The accompanying unaudited financial statements are for interim periods and do not include all disclosures normally provided in annual financial statements, and should be read in conjunction with the Company's audited financial statements. The accompanying unaudited interim financial statements for the six months ended September 30, 1991 are not necessarily indicative of the results which can be expected for the entire year.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

1. Material Changes in Financial Condition

The Company had basically no change in the Working Capital deficit of $79,808 from March 31, 1991 to September 30, 1991. Operating losses of $182,751 were funded by an increase of the Notes Payable.

Management knows of no trends, demands, commitments, events or uncertainties which will result in or which are reasonably likely to result in the Company's liquidity increasing or decreasing in a material way other than operating results which have been decreasing the Company's liquidity.

In August, 1991, the Company relocated its graphics and production facilities to Council Bluffs, Iowa. Lower cost of doing business and a potential merger with Donis, Corp., Inc. of Omaha, Nebraska, a print/office supplies company have motivated the Company to make this move. The sales, marketing and some administrative staff have remained in San Diego. The Company now considers it Corporate office to be in Council Bluffs. The graphics manager, production manager and one key production employee also relocated to Iowa making the transition a smooth one. The Company leased an office space for the graphics department. The production operates in Bluffs Forms, Inc.'s facility. Bluffs Forms, Inc. was merged into Donis Corp, Inc. on 12-31-91. Merger negotiations between the Company and Donis Corp, Inc. have begun in this period and concluded with a merger effective 12-31-91.

In August 1991 the Company purchased a Whitacre envelope press and sheet feeder assembly for its production facilities in Council Bluffs. The Management believes this will give the Company greater control over its production and the ability to offer improved selection and service to its clients. The equipment was financed through an increase in the Notes Payable.

Management knows of no material trends, favorable or unfavorable in the Company's capital resources and anticipates no material change in the mix and cost of such resources other than referred to above.

2. Material Changes in Results of Operations.

The Company's net loss for the three months ended September 30, 1991 were $157,579 or $89,302 more than the same period of the previous year. Sales decreased approximately 9.2%, Cost of Sales were 85.8% or 14.2% below the previous year. Selling Expenses were up $70,716 and G & A expenses were up $63,532.

PART II
OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 2. Changes in Securities

None.

Item 3. Defaults upon Senior Securities

None.

Item 4. Submission of Matter to a Vote of Security Holders

None.

Item 5. Other Information

None.

Item 6. Exhibits and Reports on Form 8-K

None.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TRAVIS INDUSTRIES, INC.

Date: 3 3-92

By: ____________________

Peter D. Hobbs,
President

NEXT
REPORT

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AND EXCHANGE COMMISSION

L30 WASHINGTON, D. C. 20549

92-2231

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934

For Quarter Ended December 31, 1990
Commission File Number 33-16820-D

TRAVIS INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

Colorado	84-1063149
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2121 South 7th Street, Council Bluffs, Iowa	51501
(Address of principal executive offices)	(Zip Code)

(619) 597-0263
(Registrant's telephone number, including area code)

Former Address: 11620 Sorrento Valley Road, Suite A
San Diego, CA 92101
(Former name, former address and former fiscal year if changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

[✓ Yes] No __

As of December 31, 1990, Registrant had 173,243,500 shares of common stock, $.0001 Par Value, outstanding.

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:0-12-90

TRAVIS INDUSTRIES, INC.
BALANCE SHEET

	12-31-90 (Unaudited)	3-31-90
ASSETS		
CURRENT ASSETS		
CASH	(3,339)	1,060
A/R	175,729	94,466
INVENTORY	17,928	17,928
PPD EXPENSES	3,126	7,800
RELATED PARTY A/R	0	0
TOTAL CURRENT ASSETS	193,444	121,254
PROPERTY & EQUIP (NET)	23,004	21,293
INVESTMENTS - LAND	54,186	54,186
NOTES RECEIVABLE	0	0
SECURITY DEPOSITS	8,308	8,308
DEFERRED OFFERING COST	59,095	59,095
DEFERRED FRANCHISE COST	67,322	67,252
TRADEMARKS LESS AMORT	4,519	4,519
TOTAL ASSETS	409,878	335,907

TRAVIS INDUSTRIES, INC.
BALANCE SHEET

	12-31-90	3-31-90
	(Unaudited)	
LIABILITIES AND STOCKHOLDERS DEFICIT		
CURRENT LIABILITIES		
OUTSTANDING CHECKS	0	12,468
A/P	112,209	135,983
DUE AFFILIATED COMPANIES	0	0
ACCR P/R & P/R TAXES	8,138	11,568
ACCR CORP FRANCH TAXES	600	600
OTHER ACCRUALS	0	0
CUSTOMER DEP	0	28,406
CONTRACT PAYABLE	0	11,341
TOTAL CURRENT LIABILITES	120,947	200,366
N/P	424,000	150,000
DUE FORMER AFFILIATE	450,478	450,478
DUE G & N INVESTMENTS	31,427	31,427
TOTAL LIBILITIES	1,026,852	832,271
REDEEMABLE PREFERRED STOCK - $.0001 PAR VALUE, 100,000,000 AUTHORIZED, SERIES A, 10,000,000 SHARES ISSUED	200,000	200,000
COMMON STOCKHOLDERS DEFICIT:		
COMMON STOCK - $.0001: 300,000,000 AUTHORIZED; 173,243,500 ISSUED AND OUTSTANDING	17,324	17,324
ADDITIONAL PAID IN CAP	158,187	158,187
DEFICIT	(992,485)	(871,875)
TOTAL COMMON STOCKHOLDERS DEFICIT	(816,974)	(696,364)
	409,878	335,907

TRAVIS INDUSTRIES, INC.
STATEMENT OF OPERATIONS
(UNAUDITED)

	3 MONTHS ENDING 12-31-90	3 MONTHS ENDING 12-31-89	9 MONTHS ENDING 12-31-90	9 MONTHS ENDING 9-30-89
SALES	490,000	405,411	1,267,919	1,191,465
COST OF SALES	(409,647)	(334,177)	(1,128,382)	(1,016,399)
GROSS PROFIT	80,353	71,234	139,537	175,066
SELLING EXPENSE	(11,521)	(60,550)	(30,716)	(139,134)
G & A EXPENSE	(110,020)	(96,097)	(252,696)	(237,941)
OPERATING INCOME (LOSS)	(41,188)	(85,413)	(143,875)	(202,009)
OTHER INCOME (EXPENSE):				
INTEREST EXPENSE	(2,763)	(19,319)	(5,982)	(41,386)
OPERATING LOSS	(43,951)	(104,732)	(149,857)	(243,395)
INCOME TAXES	0	0	0	0
PREVIOUS YEAR LOSS	32,287	0	29,247	0
NET INCOME (LOSS)	(11,664)	(104,732)	(120,610)	(243,335)
NET INCOME (LOSS) PER COMMON SHARE	nil	nil	nil	nil

TRAVIS INDUSTRIES, INC
STATEMENT OF STOCKHOLDERS' DEFICIT
(UNAUDITED)
MARCH 31, 1990 THROUGH DECEMBER 31, 1990

	COMMON STOCK		ADDITIONAL		
	NUMBER OF SHARES	AMOUNT	PAID IN CAPITAL	DEFICIT	TOTAL
BALANCE AS OF MARCH 31, 1990	173,243,500	$17,324	$158,187	($871,875)	($696,364)
NET LOSS FOR PERIOD ENDING DECEMBER 31, 1990				($120,610)	($120,610)
PREFERRED STOCK DIVIDEND PROVISION			($18,000)		($18,000)
STOCK ISSUANCE, NET					
BALANCE AT DECEMBER 31, 1990	173,243,500	$17,324	$140,187	($992,485)	($834,974)

TRAVIS INDUSTRIES, INC.
STATEMENT OF CASH FLOWS
(UNAUDITED)

	9 MONTHS ENDING 12-31-90	9 MONTHS ENDING 12-31-89
CASH FLOWS FROM OPERATING ACTIVITIES	(120,610)	(243,395)
ADJUSTMENT TO RECONCILE NET (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES:		
DEPRECIATION AND AMORTIZATION	0	0
(INCREASE) DECREASE IN PREPAID EXPENSE	4,674	(19,207)
INCREASE (DECREASE) IN ACCOUNTS PAYABLE	(23,774)	104,398
INCREASE (DECREASE) IN ACCRUED EXPENSES	(3,430)	75,361
INCREASE (DECREASE) IN CUSTOMER DEPOSITS	(28,406)	(16,862)
(INCREASE) DECREASE IN ACCOUNTS RECEIVABLE	(81,263)	32,423
(INCREASE) DECREASE IN INVENTORY	0	1,517
NET CASH USED IN OPERATING ACTIVITIES	(252,809)	(65,765)
CASH FLOWS FROM INVESTING ACTIVITIES		
TRADEMARK COST	0	0
DEFERRED FRANCHISE COST	(70)	(74,724)
SECURITY DEPOSITS	(0)	(65)
PURCHASE OF INVESTMENTS	0	(795)
PURCHASE OF EQUIPMENT/IMPROVEMENTS	(1,711)	(17,286)
NET CASH PROVIDED (USED) IN INVESTING ACTIVITIES	(1,781)	(92,870)
CASH FLOWS FROM FINANCING ACTIVITIES		
LOAN FROM BANKS	0	0
DUE TO AFFILIATED COMPANY	0	36,559
ISSUANCE OF STOCK	0	9
DEFERRED OFFERING COST	0	(32,122)
CONTRACT PAYABLE	(11,341)	17,583
NOTE PAYABLE	274,000	100,000
NET CASH PROVIDED BY FINANCING ACTIVITIES	262,659	122,029
INCREASE (DECREASE) IN CASH	8,069	(36,606)
CASH, BEGINNING OF YEAR	(11,408)	45,021
CASH, END OF PERIOD	(3,339)	8,415

TRAVIS INDUSTRIES, INC.
NOTES TO UNAUDITED FINANCIAL STATEMENTS

December 31, 1990 and the Nine Month Period Ended December 31st, 1990 and 1989.

1. Basis of Presentation

The interim financial statements at December 31, 1990 and December 31 1989 are unaudited, but include all adjustments the Company considers necessary for a fair presentation of the Company's financial position as of that date. The March 31, 1990 and 1989 balance sheets were derived from the Company's audited financial statements.

The accompanying unaudited financial statements are for interim periods and do not include all disclosures normally provided in annual financial statements, and should be read in conjunction with the Company's audited financial statements. The accompanying unaudited interim financial statements for the nine months ended December 31, 1990 are not necessarily indicative of the results which can be expected for the entire year.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

1. Material Changes in Financial Condition

The Company had a decrease in the Working Capital deficit of $151,609 from March 31, 1990 to September 30, 1990. The increase in Working Capital was primarily due to an increase in N/P of $272,219 less the Net Loss for the period of $120,610.

Management knows of no trends, demands, commitments, events or uncertainties which will result in or which are reasonably likely to result in the Company's liquidity increasing or decreasing in a material way other than operating results which have been decreasing the Company's liquidity.

The Company has no material commitments for capital expenditures as of the end of the latest fiscal period. Management knows of no material trends, favorable or unfavorable in the Company's capital resources and anticipates no material change in the mix and cost of such resources other than referred to above.

2. Material Changes in Results of Operations.

The Company's net loss for the nine months ended December 31st, 1990 were $120,610 or $122,785 less than the same period of the previous year. Sales increased approximately 6.4%, Cost of Sales were 89.0% or 1.7% above the previous year. Selling Expenses were down $108,418 and G & A expenses were up $14,753.

PART II
OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 2. Changes in Securities

None.

Item 3. Defaults upon Senior Securities

None.

Item 4. Submission of Matter to a Vote of Security Holders

None.

Item 5. Other Information

None.

Item 6. Exhibits and Reports on Form 8-K

None.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TRAVIS INDUSTRIES, INC.

Date: 3 3 92

By: ______________________

Peter D. Hobbs,
President

THIS SECTION
CONTAINS REPORTS
FOR 2
DIFFERENT COMPANIES

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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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SECTION

QUARTERLY REPORT UNDER SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarter ended December 31, 1991

Commission File Number 0-16347

2'92-2231

TRIUMPH CAPITAL, INC.

(Exact name of Registrant as specified in this chapter)

Florida	59 2720096
(State or other jurisdiction of incorporation)	(IRS Employer Identification No.)

520 Northwest 165 Street Road, Suite #204, Miami, Florida 33169
(Address of principal executive offices).

Registrant's telephone number, including area code (305) 776 5311

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities and Exchange Act of 1934 during the preceeding twelve months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirement for the past 90 days.

X YES ____ NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock outstanding, as of the latest practicable date.

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Common Stock, $.0001 par value	3,977,327
Class of Common Stock	December 31, 1991

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TRIUMPH CAPITAL, INC.
INDEX TO FORM 10-Q
DECEMBER 31, 1991

Page Number

PART I - FINANCIAL INFORMATION

Item 1 - Financial Statements:

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Condensed Consolidated Statements of Operations - Three Months Ended December 31, 1991 and December 31, 1990 4

Condensed Consolidated Statements of Operations - Six Months Ended December 31, 1991 and December 31, 1990 5

Consolidated Statements of Cash Flows Six Months Ended December 31, 1991 and December 31, 1990 6-7

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Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations 9

PART II - OTHER INFORMATION 9

TRIUMPH CAPITAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 1991 AND JUNE 30, 1991

(UNAUDITED)

ASSETS	December 31, 1991	June 30, 1991
Current Assets:		
Cash	$ -	$ 164
Accounts and Notes Receivable	9,881	6,050
Total Current Assets	9,881	6,214
Property and Equipment, Net	17,208	20,418
Receivables From Related Parties, Net of Allowance for Credit Losses of $685,838 at December 31, 1991 and $675,448 at June, 1991	-	-
Excess of Cost Over Net Assets Acquired Net of Accumulated Amortization of $14,129 at December 31, 1991 and $12,617 at June 30, 1991	1,011	2,523
	$ 28,100	$ 29,155

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities:		
Accounts Payable and Accrued Expenes	$ 52,803	$ 53,353
Notes Payable	32,000	34,000
Total Current Liabilities	84,803	87,353
Shareholders' Equity		
Common Stock, Par Value $.001 Per Share, Authorized 75,000,000 Shares Issued and Outstanding 3,977,327 Shares	398	398
Capital in Excess of Par	2,509,677	2,509,677
Deficit	(2,566,778)	(2,568,273)
Total Shareholders' Equity	(56,703)	(58,198)
	$ 28,100	$ 29,155

See Notes to Condensed Consolidated Financial Statements

TRIUMPH CAPITAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE SIX MONTHS ENDED DECEMBER 31, 1991
AND DECEMBER 31, 1990

(UNAUDITED)

	December 31, 1991	December 31, 1990
Revenue:		
Transfer Account Fees	$ 59,462	$ 75,496
Consulting Fees	-	24,600
	59,462	100,096
Expenses:		
General and Administrative	57,967	79,997
Net Income	$ 1,495	$ 20,099
Net Income Per Common Share	Nil	.01
Weighted Average Number of Common Shares Outstanding	3,977,327	3,977,327

See Notes to Condensed Consolidated Financial Statements

TRIUMPH CAPITAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED DECEMBER 31, 1991 AND DECEMBER 31, 1990

(UNAUDITED)

	December 31, 1991	December 31, 1990
Revenue:		
Transfer Agent Fees	$ 30,680	$ 33,247
Consulting Fees	-	23,600
	30,680	56,847
Expenses:		
General and Administrative	29,906	41,491
Net Income	$ 774	$ 15,356
Net Income Per Common Share	Nil	Nil
Weighted Average Number of Common Shares Outstanding	3,977,327	3,977,327

See Notes to Condensed Consolidated Financial Statements

TRIUMPH CAPITAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED DECEMBER 31, 1991

(UNAUDITED)

Cash Flow From Operating Activities:	
Net Income	$ 1,495
Adjustment to Reconcile Net Income to Net Cash Provided by Operations	
Depreciation and Amortization	4,722
Increase in Accounts Receivable	(3,831)
Decrease in Accounts Payable and Accrued Expenses	(550)
Total Adjustments	341
Net Cash Provided by Operating Activities	1,836
Cash Flows From Financing Activities:	
Payments on Notes Payable	(2,000)
Net Cash (Required) by Financing Activities	(2,000)
Net Decrease in Cash	(164)
Cash at Beginning of Period	164
Cash at End of Period	$ - 0 -

See Notes to Condensed Consolidated Financial Statements

TRIUMPH CAPITAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED DECEMBER 31, 1990

(UNAUDITED)

Cash Flows From Operating Activities:	
Net Income	$ 20,099
Adjustment to Reconcile Net Income to Net Cash Provided by Operations	
Depreciation and Amortization	9,606
Increase in Accounts Receivable	(21,335)
Increase in Accounts Payable and Accrued Expenses	1,618
Total Adjustments	(10,111)
Net Cash Provided by Operating Activites	9,988
Cash Flows From Financing Activities:	
Payments on Notes Payable	(4,000)
Net Cash (Required) by Financing Activities	(4,000)
Net Increase in Cash	5,988
Cash at Beginning of period	475
Cash at End of Period	$ 6,463

See Notes to Condensed Consolidated Financial Statements

TRIUMPH CAPITAL, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 1991

NOTE 1 - BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements included herein have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission and reflect all adjustments which are, in the opinion of Management, necessary to present fairly the consolidated financial information required therein. Certain information and footnote disclosures, normally included in financial statements prepared in accordance with generally accepted accounting principles, have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading.

The results of operations for the six month and three month periods ended December 31, 1991 are not necessarily indicative of the results to be expected for the full year.

The consolidated financial statements include the accounts of the Company and its two wholly-owned subsidiaries. All significant intercompany transactions and accounts have been eliminated.

PART I - FINANCIAL INFORMATION (CONTINUED)

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Revenues for the three month period ending December 31, 1991 were $30,680 as opposed to $56,847 for the three month period ending December 31, 1990. The decrease in revenues is due to lower transfer and consulting fees.

The operations of the Company are not seasonal and inflationary changes would have little effect on the results of the Company's operations.

LIQUIDITY AND CAPITAL RESOURCES

The Company has been able to meet its cash requirements for operations from revenues. However, from time to time the Company experiences cash flow problems.

PART II - OTHER INFORMATION

ITEM 6 - EXHIBITS AND REPORTS FOR 8-K

NONE

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Triumph Capital, Inc.

By:__________________________
William Frazzetto, President
(Chief Executive Officer)

July 25, 1991

NEXT
REPORT

→

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FORM 10-Q

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

QUARTERLY REPORT UNDER SECTION 13 OR
OF THE SECURITIES EXCHANGE ACT OF

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For the Three Months Ended
December 31, 1991

Commission File Number
33-30422-A

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UNIFIED CAPITAL, INC.

(Exact Name of Registrant as Specified in its Charter)

DELAWARE	22-3048534
(State of Other Jurisdiction of Incorporation or Organization)	I.R.S. Employer Identification No.

5457 Roswell Road, Suite 103, Atlanta, Georgia 30342

(Address of Principal Executive Offices) Zip Code

Registrant's Telephone Number, Including Area Code (404) 257-0572

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes____ No X

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the issuer has filed all documents and reports required to be filed by Sections 2, 13 or 15(d) of the Securities Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes____ No____

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock $.001 par value,	7,500,000
(Title of Class)	(Shares outstanding at December 31, 1991)

UNIFIED CAPITAL, INC.

FORM 10-Q

THREE MONTHS ENDED DECEMBER 31, 1991

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	Statement of Stockholders' Equity for the period ended December 31, 1991	4
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	Management's Discussion and Analysis of Results of Operations	6
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UNIFIED CAPITAL, INC.

(A development stage company)

BALANCE SHEET

(Unaudited)

DECEMBER 31, 1991

ASSETS

CURRENT ASSETS:	
Cash	$ 524,799
OTHER ASSETS:	
Organization Costs - Net	350
TOTAL ASSETS	$ 525,149

LIABILITIES AND STOCKHOLDERS' EQUITY

STOCKHOLDERS' EQUITY:	
Common Stock, par value $.001; authorized 100,000,000 shares, issued and outstanding 7,500,000 shares	7,500
Paid-In Capital in Excess of Par Value	519,018
Retained Earnings	(1,369)
TOTAL STOCKHOLDERS' EQUITY	525,149
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 525,149

UNIFIED CAPITAL, INC.
(A development stage company)

STATEMENT OF INCOME AND EXPENSES
(Unaudited)

FOR THE SIX MONTHS ENDED
DECEMBER 31, 1991

REVENUE:		
Interest Income		$11,713
EXPENSES:		
Professional	$ 6,575	
Officer Salary	6,000	
Filing Fees and Registration Costs	1,973	
Bank Charges	119	
Amortization	50	
Miscellaneous	488	
TOTAL EXPENSES		15,205
NET LOSS FOR PERIOD BEFORE FEDERAL INCOME TAX		(3,492)
PROVISION FOR FEDERAL INCOME TAX		467
NET LOSS FOR PERIOD		$(3,959)

UNIFIED CAPITAL, INC.
(A development stage company)

STATEMENT OF STOCKHOLDERS' EQUITY
(Unaudited)

FOR THE PERIOD JULY 1, 1991 TO DECEMBER 31, 1991

	Common Stock	Paid-In Capital	Retained Earnings	Total
Balances - July 1, 1991	$ 7,500	$ 519,018	$ 2,590	$ 529,108
Net Loss For Period			(3,959)	(3,959)
Balances - December 31, 1991	$ 7,500	$ 519,018	$(1,369)	$ 525,149

UNIFIED CAPITAL, INC.

NOTES TO CONDENSED FINANCIAL STATEMENTS

Unaudited

DECEMBER 31, 1991

NOTE 1 - BASIS OF PRESENTATION

The accompanying unaudited condensed financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of Management, all adjustments considered necessary for a fair presentation have been included. These adjustments were considered usual and normal in nature. For the period ended December 31, 1991, the Company had no operational activities other than the preparation for the public offering as presented in the Balance Sheet. The recovery of assets and the continuation of the Company as a going concern are dependent upon the Company's ability to obtain additional financing and upon future profitable operations. For further information, refer to the financial statements and footnotes included in the Company's annual report on Form 10-K for the year ended June 30, 1991.

UNIFIED CAPITAL, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS

DECEMBER 31, 1991

The Company has been seeking potential business ventures in which, in the opinion of management, would provide a profit to the Company.

As of yet, the Company has not located any such businesses.

PART II OTHER INFORMATION

Item 1 Legal Proceedings - None

Item 2 Changes in Securities - None

Item 3 Defaults Upon Senior Securities - None

Item 4 Submission of Matters to a Vote of Securities Holders - None

Item 5 Other Information - None

Item 6 Exhibits and Reports on Form 8-K - None

The information furnished herein reflects all adjustments which are, in the opinion of management, necessary to a fair statement of the results of operation for the period ended December 31, 1991.

The result of operation for the period ended December 31, 1991 are not necessarily indicative of the results for the entire year.

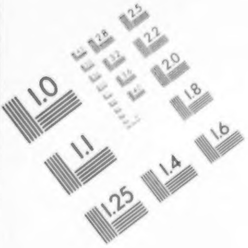
SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

UNIFIED CAPITAL, INC.

By: ______________________
Donald J. Scheer
President and Director

Date: March 24, 1992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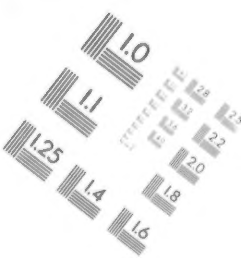
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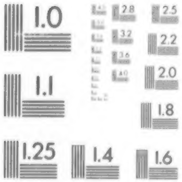
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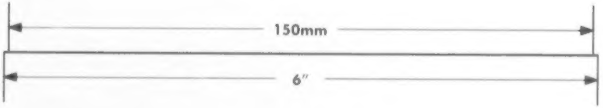

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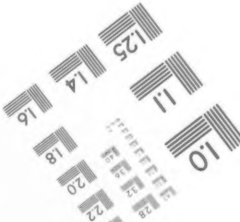
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